

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

950. Resolution of the Chamber of Commerce of Pittsburgh, indorsing the suggestion that the hundredth anniversary of the birth of Stephen Collins Foster be signalized by the issuance of a special postage stamp or coin; to the Committee on the Post Office and Post Roads.

951. By Mr. ACKERMAN: Petition of sundry citizens of the State of New Jersey, opposing the passage of House bill 5000 and Senate bill 291, which provides for a department of education; to the Committee on Education.

952. By Mr. ARNOLD: Petition from various citizens of Lawrence County, Ill., protesting against the passage of House bills 7179 and 7822, providing for compulsory Sunday observance in the District of Columbia; to the Committee on the District of Columbia.

953. By Mr. CARTER of California: Petition of California Academy of Sciences, opposing any legislation adverse to the efficient maintenance and management of the national forests and national parks; to the Committee on the Public Lands.

954. Also, petition of Los Angeles district executive board of the California Federation of Women's Clubs, indorsing Senate bill 774; to the Committee on the Public Lands.

955. By Mr. CHINDBLOM: Petition of Mrs. C. M. Rohr and 110 other citizens of Chicago, Ill., opposing legislation for compulsory Sunday observance law; to the Committee on the District of Columbia.

956. By Mr. CRAMTON: Petition signed by Robert Lane and other residents of Port Huron, Mich., protesting against compulsory Sunday observance bill; to the Committee on the District of Columbia.

957. Also, petition signed by C. L. Wonch and other residents of Port Huron, Mich., protesting against the compulsory Sunday observance bills; to the Committee on the District of Columbia.

958. Also, petition of C. D. Amadon and other residents of Port Huron, Mich., protesting against the compulsory Sunday observance bills; to the Committee on the District of Columbia.

959. By Mr. DRANE: Petition of citizens of Tampa, Arcadia, and Sarasota, Fla., opposing the passage of the so-called compulsory Sunday observance law; to the Committee on the District of Columbia.

960. By Mr. GARNER of Texas: Petition from citizens of McAllen, Tex., against compulsory Sunday observance legislation; to the Committee on the District of Columbia.

961. Also, petition from citizens of Medina County, Tex., against compulsory Sunday observance legislation; to the Committee on the District of Columbia.

962. Also, petition of sundry citizens of the State of Texas, opposing the passage of any compulsory Sunday observance laws; to the Committee on the District of Columbia.

963. By Mr. HARRISON: Petition of sundry citizens of the State of Virginia, opposing the passage of the compulsory Sunday observance law; to the Committee on the District of Columbia.

964. By Mr. HERSEY: Petition of Ephraim Eisenberg and 34 other citizens of Westfield, Me., protesting against the passage of House bills 7179 and 7822; to the Committee on the District of Columbia.

965. Also, petition of C. S. Barrows and 11 other residents of Westfield, Me., protesting against the passage of House bills 7179 and 7822, compulsory Sunday observance law; to the Committee on the District of Columbia.

966. Also, petition of Leon P. Belyea, of Easton, Me., and five other citizens, protesting against the passage of House bills 7179 and 7822, compulsory Sunday observance; to the Committee on the District of Columbia.

967. By Mr. HOOPER: Petition of Elder P. C. Hanson and 19 other residents of Hillsdale County, Mich., protesting against the passage of compulsory Sunday legislation; to the Committee on the District of Columbia.

968. By Mr. KIEFNER: Petition of residents of Sabula, Mo., protesting against the passage of compulsory Sunday observance bills (H. R. 7179 and H. R. 7822) or any other national religious legislation which may be pending; to the Committee on the District of Columbia.

969. By Mr. KVALE: Petition of 150 signers, opposed to the Curtis-Reed bill; to the Committee on Education.

970. By Mr. McDUFFIE: Petitions of citizens of Mobile, Crichton, and Whistler, opposing proposed Sunday observance bill; to the Committee on the District of Columbia.

971. By Mr. MAGEE of New York: Petition of citizens of Syracuse, N. Y., in opposition to House bills 7179 and 7822; to the Committee on the District of Columbia.

972. By Mr. MANLOVE: Petition of 73 residents of Milo, Mo., pledging loyal support of the eighteenth amendment and the Volstead Act; to the Committee on the Judiciary.

973. By Mr. MOONEY: Petition of certain members of the city council of Cleveland, protesting beer and wine resolution adopted by that body on February 15, 1926; to the Committee on the Judiciary.

974. By Mr. O'CONNELL of New York: Petition of citizens of Brooklyn, N. Y., opposing the passage of House bills 7179 and 7822, Sunday observance legislation; to the Committee on the District of Columbia.

975. Also, petition of William W. Allen, United States Veterans' Bureau Hospital, No. 98, Castle Point, N. Y., favoring the Knutson bill (H. R. 8132) to increase Spanish War pensions; to the Committee on Pensions.

976. Also, petition of the Brooklyn Chamber of Commerce, opposing the Wadsworth-Perlman bill (S. 2245 and H. R. 5) amending the immigration act; to the Committee on Immigration and Naturalization.

977. Also, petition of the Intermediate Rate Association of Spokane, Wash., favoring the passage of the Gooding-Hoch bill; to the Committee on Interstate and Foreign Commerce.

978. Also, petition of residents of Providence, R. I., protesting against House bills 7179 and 7822, compulsory Sunday observance; to the Committee on the District of Columbia.

979. By Mr. PERKINS: Petition of sundry citizens of the State of New Jersey, opposing the passage of the Sunday observance law; to the Committee on the District of Columbia.

980. Also, petition of sundry citizens of the State of New Jersey, opposing the passage of House bill 5000 and Senate bill 291, which provide for a department of education; to the Committee on Education.

981. By Mr. ROBINSON of Iowa: Petition of various citizens of Hampton, Iowa, against compulsory Sunday observance; to the Committee on the District of Columbia.

982. By Mr. SINCLAIR: Petition of 61 residents of Dickinson, N. Dak., protesting against legislation compelling compulsory Sunday observance; to the Committee on the District of Columbia.

983. By Mr. THOMPSON: Petition of F. J. Ulrich, president, on the part of the Affiliated Societies of the Catholic Union of Ohio, protesting against the Reed bill; to the Committee on Education.

SENATE

FRIDAY, March 5, 1926

(Legislative day of Wednesday, March 3, 1926)

The Senate reassembled at 12 o'clock meridian, on the expiration of the recess.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House insisted on its amendments to the bill (S. 1129) authorizing the use for permanent construction at military posts of the proceeds from the sale of surplus War Department real property, and authorizing the sale of certain military reservations, and for other purposes, disagreed to by the Senate; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. JAMES, Mr. HILL of Maryland, and Mr. FISHER were appointed managers on the part of the House at the conference.

The message also announced that the House insisted on its amendment to the bill (S. 1343) for the relief of soldiers who were discharged from the Army during the World War because of misrepresentation of age, disagreed to by the Senate; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. REECE, Mr. GLYNN, and Mr. HILL of Alabama were appointed managers on the part of the House at the conference.

THE AGRICULTURAL SITUATION

Mr. McKINLEY. Mr. President, to-day America is facing a serious situation because its greatest industry is not in proper adjustment with the other economic groups. During the past few months I have made some careful study of the agricultural situation for the country as a whole and particularly of my own State. I have been more than alarmed at what I have found.

The Congress is being earnestly besought to provide a remedy which will bring products of the labor of the farmer into a fair relationship with products of the labor of other groups. I feel that we can not turn our attention to a more

serious problem, nor one more needing our attention and immediate action.

It is not to be questioned that the farmer is not getting a fair share of the national income. Economists hold that corporate organizations and the operation of modern laws tend to divert a larger share of income into towns or cities than is just. All who have studied agricultural problems recognize this fact to-day.

I do not believe that this is a problem concerning the farmer alone. The national prosperity itself is not secure unless this situation is speedily remedied.

In a brief analysis of the situation in my own State, I find that the 30,736,000 acres in farms which were worth, land and buildings, \$187.59 an acre in 1920, are worth to-day on an average of only \$136.79, a depreciation in value of \$50.80 an acre, or a total loss to the farmers of Illinois of more than \$1,500,000,000.

The land alone, leaving out of consideration the buildings and improvements, was valued in 1920 at \$164.20 an acre. To-day its value is \$111.53.

Those are the cold figures, which tell the dollars and cents side of the story. But in making the study of my State I have not forgotten that dollars and cents are not all. There are men and women to be considered. One million ninety-eight thousand of these men and women live on the farms of Illinois. Two million eighty-two thousand live on farms and in country towns, and many hundreds of thousands more are directly dependent upon the products of the soil.

This is not the farmers' problem alone. It is the problem of the Nation. It is our problem. The problem is complex. Progress has been made in past years in solving it. Action of this body in recently amending the pure food and drug act to permit without embarrassment the use of corn sugar has relieved one immediate perplexing problem. During the past few years other legislative measures have been drawn up and passed by Congress, which have helped. We have legalized the establishment of cooperative-marketing groups. Efficient cooperative distribution has done much for the farmer. It has raised the standard of the quality of farm products and has protected the buyer. Through the farmer's own marketing agency he is to-day being taught to produce what the market demands. This is the first step toward orderly marketing. Cooperative marketing associations are enabling the farmer to escape from the disastrous effects of dumping his products on the market immediately they are produced. Our Secretary of Agriculture recently estimated that in 1925 cooperative associations transacted approximately two and a half billion dollars of business.

Some results have also been obtained during the past few years in obtaining for agriculture a more favorable transportation rate.

These things have been good and have helped. But they are not enough. We are now confronted with a peculiar problem. The whole Nation has aided in expanding agriculture to the point that there is a normal surplus over what the whole market consumes. This normal surplus sets the price on what the home market takes. Thus we find the farmer receiving a world price for his product and buying at home products at an American price, artificially maintained by various legislative and governmental measures.

The American farmer, as I understand it, does not desire this American price changed. His one plea to us is to provide a means which will give him and his product an American price, so that he can enjoy an American standard of living on an equality with the other American groups.

To provide this equality for agriculture is wise from every standpoint. It is well to remember that some 40 per cent of our population is agricultural, and it is also well to remember that much of our commerce and our industry depends upon the welfare of our basic industry—agriculture.

There are now such a multiplicity of proposals before Congress that the issue is confused. Some of the suggestions come from earnest and misguided zealots. Others are introduced with the evident intention of confusing and defeating the proper demands of agriculture.

It is necessary that we cast aside these half-baked suggestions to determine what agriculture wants and should have and enact into legislation measures which will provide the machinery to give agriculture the equality which it must have. I am in daily conference with the farm leaders in my own State and with national farm leaders. I have here the resolution adopted at the recent annual convention of the American Farm Bureau Federation, which is as follows:

We indorse the enactment of a Federal law based on the principle of a farmers' export corporation providing for the creation of an agency

with broad powers for the purpose of so handling the surplus of farm crops that the American producer may receive an American price in the domestic market, and we instruct our officers and representatives to work for the early enactment of such a law founded on sound economic policy and not involving Government subsidy.

I also have a resolution adopted by the Illinois Agricultural Association, the State Farm Bureau of Illinois. This resolution is as follows:

The unfavorable situation of agriculture since the war has been due in large part to the working out of national policies which have expanded farm production to the utmost above domestic needs, on the one hand, while they have maintained a high level of farm production costs, on the other. Because of this the responsibility of establishing a new national policy aimed to correct existing disparities and to promote economic equality for agriculture rests on the Nation as a whole. Attempts to include the American farmer in the protective system by tariffs have been largely futile because the normal surplus of the important cash crops holds the domestic price to world levels, regardless of tariffs.

Therefore the farmers of Illinois join with the farmers of the other agricultural surplus States in asking the Sixty-ninth Congress, as part of a definite national farm program, to create an export board or corporation under which producers can, at their own expense, control the marketing of their surpluses abroad in such manner as to sustain an American price for that portion consumed in America.

Many plans for dealing with the surplus problem have been proposed to Congress, some of which are now in the form of bills providing for export bounties, foreign credits, and other means and agencies.

The Illinois Agricultural Association, while reiterating its willingness to support any sound and workable plan to accomplish the desired ends, recognizes its responsibility to express its general judgment on the relative value of the several plans, some of which are:

1. Export bounty on each of several farm commodities approximately equal in amount to the import duty provided in each case, financed by an excise tax on the units of each commodity that move in trade.

2. Export bounty on each of several farm commodities approximately equal in amount to the import duty provided in each case, the bounty payable in form of due bills acceptable by the United States Treasury in payment of import duties.

3. Government loans to buyers abroad to provide funds for foreign purchase of our farm surplus.

4. Federal board to assist farm producers to control, segregate, or dispose of surpluses abroad or at home, the actual buying and selling to be done wherever practicable through corporations created by associations of producers themselves, but financed as to sales abroad by an equalization fund from an excise tax similar to that proposed for the export bounty.

An export bounty, not administered by a central body empowered to segregate and control the surplus movement, would, in our judgment, be less effective than other proposals in adjusting domestic supply and demand at a fair price. The plan to finance bounty payments either from the United States Treasury or from diverted import duties in effect proposes a public subsidy against which the American Farm Bureau Federation has gone on record. The plan to loan additional funds to finance foreign purchases could not materially change the world price level at which the sales would be made, could not operate to maintain an American price for that portion consumed in America, and does not appear to be a proper solution, for the further reason that since the war our farm exports have not been curtailed, but on the contrary have found ready buyers at a world price and in volume greater than pre-war. The bounty and loan proposals do not tend to bring the organized producers into the market in control of the handling of their surplus.

Therefore be it

Resolved, That the Illinois Agricultural Association indorse the general principles set forth in the Dickinson bill now before Congress, a measure which provides for a Federal board to administer an equalization responsibility for the surplus farm commodities, the finances to be put up by the producers themselves in the most practical manner, through excise tax or equalization fee, and the actual buying, storing, and selling involved in handling the surplus to be done, with the support of the board, by corporations created and controlled by the producers themselves.

I am in accord with the Illinois Agricultural Association.

OLDROYD COLLECTION OF LINCOLN RELICS

Mr. WILLIS. Mr. President, because I shall probably be absent when the Senate bill 957, providing for the purchase of the Oldroyd collection of Lincoln relics, introduced by myself, is reached on the calendar, and because I shall therefore be unlikely to be able to make a statement concerning the bill, in the enactment of which I am very greatly interested, I ask permission to have printed in the RECORD at this point a brief editorial article from to-day's Washington Post.

There being no objection, the editorial article was ordered to be printed in the RECORD, as follows:

A bill introduced by Senator WILLIS, of Ohio, for the purchase of the famous Oldroyd collection of Lincoln relics, now in the house at 516 Tenth Street NW., where the great President died, is now on the Senate calendar. A similar bill was passed by the Senate last year, but died in the House. This is the last opportunity Congress will have to secure and keep in Washington this great collection, as Colonel Oldroyd has been offered \$50,000 for it by the State of Illinois, and a larger sum by Henry Ford. Here, where Lincoln served his country and where he died, is the place for this unequalled collection of relics. The House should not neglect the opportunity to provide for their purchase.

CALL OF THE ROLL

Mr. JONES of Washington. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	McLean	Sackett
Bayard	Frazier	McMaster	Sheppard
Bingham	George	McNary	Shortridge
Blease	Gerry	Mayfield	Simmons
Borah	Glass	Means	Smith
Bratton	Goff	Metcalf	Smoot
Brookhart	Gooding	Moses	Standfield
Broussard	Greene	Neely	Stephens
Bruce	Hale	Norbeck	Swanson
Cameron	Harrell	Norris	Tyson
Capper	Harris	Nye	Wadsworth
Caraway	Heflin	Oddie	Walsh
Copeland	Howell	Overman	Warren
Couzens	Johnson	Pepper	Watson
Dale	Jones, Wash.	Philips	Wheeler
Deneen	Kendrick	Pine	Williams
Dill	King	Pittman	Willis
Ernst	La Follette	Reed, Pa.	
Ferris	Lenroot	Robinson, Ark.	
Fess	McKinley	Robinson, Ind.	

Mr. JONES of Washington. I wish to announce that the senior Senator from Kansas [Mr. CURTIS], the Senator from Massachusetts [Mr. BUTLER], the Senator from Maine [Mr. FERNALD], and the Senator from New Hampshire [Mr. KEYES] are detained from the Senate because of illness.

The VICE PRESIDENT. Seventy-seven Senators having answered to their names, a quorum is present.

REGULATION OF RADIO TRANSMISSION

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of New Jersey, which was referred to the Committee on Interstate Commerce:

Senate Concurrent Resolution No. 2 asking Congress to effectively regulate stations for the transmission of radio communications or energy in the United States, introduced February 2, 1926, by Mr. Case and referred to committee on judiciary

Whereas the Radio Corporation of America or the Westinghouse Electric & Manufacturing Co. has established a superpower radio broadcasting station near Bound Brook, N. J., in the center of the residential suburban community in this State, which station has for its purpose the broadcasting of radio communications to distant points with the least interference to New York City and entirely without regard to the effect of such broadcasting upon the many suburban communities located in the counties of Middlesex, Union, and Somerset and adjoining counties in this State; and

Whereas the operation of said superpower radio station will constitute an intolerable nuisance to the citizens of said communities who use radio receiving sets or who operate radio broadcasting stations; and

Whereas the governing bodies of numerous cities and towns located in said counties have passed resolutions calling upon the governor of this State and upon the legislature to take all steps necessary to limit the signal strength of said broadcasting station so that it will not be operated so as to create such nuisance; and

Whereas the Congress of the United States has pending before it bills designed to more effectively regulate the transmission of radio communications and energy:

Be it resolved by the senate (the house of assembly concurring), That the legislature urge upon Congress the necessity for the enactment of legislation which will vest in the Secretary of Commerce adequate control of all stations transmitting radio communications and energy in interstate commerce and that such legislation may embody provisions giving to persons or corporations affected or to be affected by the operations or proposed operations of such broadcasting stations an opportunity to be heard before the Secretary of Commerce prior to the licensing of such stations and an opportunity to apply to such Secretary for the revocation of the license of any such station for violation of law or of the regulations of such Secretary and an opportunity to appeal from the action taken by such Secretary affecting such person or corporation; be it further

Resolved, That a copy of this resolution be transmitted to the President of the Senate of the United States and the Speaker of the House of Representatives and to each of the Senators and Congressmen from this State.

STATE OF NEW JERSEY, DEPARTMENT OF STATE.

I, Thomas F. Martin, secretary of state of the State of New Jersey, do hereby certify that the foregoing is a true copy of Senate Concurrent Resolution No. 2 as the same is taken from and compared with the original filed March 2, 1926, and now remaining on file and of record in my office.

In testimony whereof I have hereunto set my hand and affixed my official seal at Trenton this 4th day of March, A. D. 1926.

[SEAL.]

THOMAS F. MARTIN,
Secretary of State.

REPORTS OF COMMITTEES

Mr. STEPHENS, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 102) to carry into effect the findings of the Court of Claims in the claim of Elizabeth B. Eddy (Rept. No. 264); and

A bill (S. 767) for the relief of Annie H. Martin (Rept. No. 265).

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 1304) for the relief of Hunter-Brown Co. (Rept. No. 266);

A bill (S. 1451) for the relief of William Hensley (Rept. No. 267);

A bill (S. 2242) for the relief of Mark J. White (Rept. No. 268); and

A bill (S. 2992) for the relief of the Royal Holland Lloyd, a Netherlands corporation of Amsterdam, the Netherlands (Rept. No. 269).

Mr. CAPPER, also from the Committee on Claims, to which was referred the bill (S. 2200) for the relief of James E. Fitzgerald, reported it with amendments and submitted a report (No. 270) thereon.

Mr. STANFIELD, from the Committee on Claims, to which was referred the bill (S. 769) for the relief of the estate of Benjamin Braznell, reported it without amendment and submitted a report (No. 271) thereon.

Mr. MOSES, from the Committee on Post Offices and Post Roads, reported a bill (S. 3429) authorizing the Postmaster General to remit or change deductions or fines imposed upon contractors for mail service, which was read twice by its title, and he submitted a report (No. 272) thereon.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 3012) to change the name of the "trustees of St. Joseph's Male Orphan Asylum" and amend the act incorporating the same, reported it without amendment and submitted a report (No. 273) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McKINLEY:

A bill (S. 3415) granting an increase of pension to John H. Crim; to the Committee on Pensions.

By Mr. KING (by request):

A bill (S. 3416) to provide for the disposition of asphalt, gilsonite, elaterite, and other like substances on the public domain; to the Committee on Public Lands and Surveys.

A bill (S. 3417) to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended; to the Committee on the District of Columbia.

By Mr. BRUCE:

A bill (S. 3418) to create an additional judge in the district of Maryland; to the Committee on the Judiciary.

By Mr. NEELY:

A bill (S. 3419) granting a pension to William J. Smith; to the Committee on Pensions.

A bill (S. 3420) for the relief of James Monroe Gates; to the Committee on Military Affairs.

By Mr. SACKETT:

A bill (S. 3421) to authorize the construction of a George Rogers Clark Memorial Lighthouse on the Ohio River at or adjacent to the city of Louisville, Ky.; to the Committee on the Library.

By Mr. PEPPER:

A bill (S. 3422) for the promotion and retirement of William H. Santelmann, leader of the Marine Band; to the Committee on Naval Affairs.

A bill (S. 3423) authorizing the removal of the Bartholdi Fountain from its present location and authorizing its reerection on other public grounds in the District of Columbia; to the Committee on the Library.

By Mr. CAPPER:

A bill (S. 3424) granting a pension to Nancy J. Nichols (with accompanying papers); to the Committee on Pensions.

By Mr. KENDRICK:

A bill (S. 3425) to authorize aided and directed settlement on certain Federal reclamation projects, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. STANFIELD:

A bill (S. 3426) to accept the cession by the State of Arkansas of exclusive jurisdiction over a tract of land within the Hot Springs National Park, and for other purposes;

(By request.) A bill (S. 3427) to revise the boundary of the Yellowstone National Park in the States of Montana, Wyoming, and Idaho, and for other purposes; and

(By request.) A bill (S. 3428) to revise the boundary of the Mount Rainier National Park in the State of Washington, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. CAMERON:

A bill (S. 3430) to enable the Secretary of Agriculture to establish and maintain an agricultural experiment station in the Colorado River Valley near Fort Mohave, Ariz., and for other purposes; to the Committee on Agriculture and Forestry.

A bill (S. 3431) to amend the acts of February 28, 1891 (26 Stat. p. 795), and the act of May 29, 1924 (43 Stat. p. 244), providing for the leasing of unallotted Indian reservation land for oil and gas mining, and for other purposes; to the Committee on Indian Affairs.

By Mr. WILLIS:

A bill (S. 3432) granting an increase of pension to Mary Larimer (with accompanying papers); to the Committee on Pensions.

By Mr. STANFIELD (by request):

A bill (S. 3433) to revise the boundary of the Grand Canyon National Park in the State of Arizona, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. WILLIAMS:

A bill (S. 3434) granting an increase of pension to Edith Quick (with accompanying papers); to the Committee on Finance.

VALIDATION OF CERTAIN PUBLIC LAND ENTRIES

Mr. STANFIELD submitted an amendment intended to be proposed by him to the bill (S. 3223) validating certain applications for and entries of public lands, and for other purposes, which was referred to the Committee on Public Lands and Surveys and ordered to be printed.

MUSCLE SHOALS

The Senate resumed the consideration of House Concurrent Resolution No. 4, providing for a joint committee to conduct negotiations for leasing Muscle Shoals.

Mr. HEFLIN. Mr. President, I desire to prefer a unanimous-consent request. On yesterday, as Senators will remember, on the suggestion of the Senator from Nebraska [Mr. NORRIS] and the Senator from South Carolina [Mr. SMITH], I permitted this matter to go over. I wish to see if we can not agree this morning on some hour when we may have a vote upon the pending concurrent resolution and all amendments thereto. I ask unanimous consent that we may proceed to vote this afternoon. I believe there is a special order for 3.30 o'clock this afternoon, and I wonder if we could agree to vote at 2.30 o'clock?

The VICE PRESIDENT. The Senator from Alabama requests unanimous consent that the vote be taken on the pending resolution at 2.30 o'clock this afternoon.

Mr. BLEASE. Mr. President, I object.

The VICE PRESIDENT. Objection is made.

Mr. HEFLIN. Now, Mr. President, I prefer one other request. I have no desire to cut off debate upon the question. As I stated yesterday, this subject has been gone over many times in the Senate and every phase of it has been discussed. I wonder if we could not agree to proceed to vote on the resolution to-morrow afternoon at 3 o'clock? I hope the Senator from South Carolina will not object to that. It is very important that we should get through with this resolution as early as possible if we are going to adopt it, for at best the committee will have but a few days to get bids and to report them back.

Mr. WILLIS. Mr. President, I shall not object, but I inquire of the Senator whether he would consider the feasibility of setting the vote for Monday next? I am selfish in that, I

admit. I am compelled to be absent from the Chamber to-morrow, and I should like to vote upon this question. It seems to me that the matter would not be delayed by voting on the resolution, say, at the same hour on Monday. However, I shall not object to the request, though I dislike to be prevented from voting on the measure.

Mr. HEFLIN. Mr. President, the Senator from Ohio has suggested that a vote shall be taken on Monday and the Senator from South Carolina [Mr. BLEASE] has objected to a vote being taken to-day. I ask unanimous consent, then, that at 3.30 o'clock on Monday we may proceed to vote upon the resolution and amendments thereto without further debate.

The VICE PRESIDENT. Is there objection?

Mr. JONES of Washington. I desire to say that, as a general rule, I should object to fixing a time for voting on a measure and an arrangement under which amendments might be offered without any opportunity to discuss or explain them. I am, however, not going to object to this request, but I wish it understood that I shall not treat it as a precedent hereafter.

Mr. HEFLIN. No.

Mr. JONES of Washington. Because I am opposed to agreements of that sort.

Mr. BLEASE. I understand that the request includes votes on the amendments that have already been offered to the resolution?

Mr. HEFLIN. Oh, yes; it includes all amendments pending at the time fixed for the vote.

Mr. BLEASE. It does not shut them out?

Mr. HEFLIN. No.

Mr. SMOOT. Will not the Senator from Alabama modify his request so as to provide that the vote shall be taken not later than 3.30 o'clock on Monday, so that if the discussion shall end earlier than at that hour we may proceed to vote and not be compelled to lay the resolution aside until the time to vote upon it shall arrive?

Mr. GEORGE. Mr. President, I hope that there will be no modification of the request of the Senator from Alabama, because, as I wish to explain, some of us are now busily engaged in the subcommittee of the Committee on Privileges and Elections. The work on that subcommittee is such that it requires our constant attention. It is necessary that we shall remain continuously in the committee room in order to expedite the consideration of the contest which has been filed by Daniel F. Steck against SMITH W. BROOKHART, the Senator from Iowa. I, therefore, hope that the Senator from Alabama will allow his request to stand as he has preferred it, fixing a definite hour at which the vote is to be taken.

Mr. HEFLIN. Mr. President, in view of what the Senator from Georgia has stated, I hope the Senator from Utah [Mr. SMOOT] will not insist on his suggestion, for, if a definite hour for the vote be fixed, Senators will then be present.

Mr. SMOOT. The only object I had in making the suggestion was that I thought, perhaps, if agreed to, it might hasten the time for taking the vote on the resolution.

Mr. HEFLIN. Should the debate on the resolution terminate earlier than the time fixed for a vote, other business may be taken up and considered.

Mr. SMOOT. I shall not insist on my suggestion. I only offered it in the interest of saving time.

The VICE PRESIDENT. Without objection, the unanimous-consent agreement requested by the Senator from Alabama [Mr. HEFLIN] is entered into.

The agreement was reduced to writing, as follows:

Ordered, by unanimous consent, That on the calendar day of Monday, March 8, 1926, at 3.30 o'clock p. m., the Senate proceed to vote without further debate upon any amendment that may be pending, any amendment that may be offered, and upon the resolution (H. Con. Res. 4) providing for a joint committee to conduct negotiations for leasing Muscle Shoals.

Mr. HOWELL. Mr. President, under the terms of the pending resolution initial steps are proposed for the disposal to private interests, for at least 50 years, of the Government's great hydroelectric power plant at Muscle Shoals, including an auxiliary 80,000-horsepower steam plant, a 40,000-ton fixed-nitrogen cyanamide plant, and other incidental property, all together costing in excess of \$150,000,000.

It is further proposed that the private interests leasing this property shall agree to manufacture commercial fertilizer, "according to demand," to the extent of at least 40,000 tons of fixed nitrogen per annum, at a net profit of not to exceed 8 per cent of the cost of production.

From the tenor of the pending resolution and the terms referred to therein, together with the arguments that have been presented in favor thereof, it would appear that the following assumptions are accepted to be facts:

First. That an increase in the production of artificially fixed nitrogen will necessarily result in a material reduction in the price of nitrogenous fertilizers, thus affording a marked saving to farm operators throughout the country.

Second. That fixed nitrogen suitable for fertilizer purposes can be produced by the 40,000-ton cyanamide plant at Muscle Shoals at a cost less than such fixed nitrogen can be produced elsewhere in this country.

Third. That to-day the production of cheap artificially fixed nitrogen is dependent upon the utilization of low-cost electrical energy, and hence upon some great hydroelectric-power development such as that at Muscle Shoals.

Fourth. And that the Government's great investment at Muscle Shoals can afford the greatest possible service to the Nation by apparently dedicating it to the production of fertilizers for the benefit of the farmer in the hands of a private corporation that agrees to manufacture commercial fertilizers; "according to demand," to the extent of at least 40,000 tons of fixed nitrogen per annum at a net profit not to exceed 8 per cent of the cost of production.

If these assumptions, or certain thereof, are not valid the chief arguments for the adoption of the present resolution fail, and it is rendered evident that many, in and out of Congress, are laboring under a misconception of the purposes of the various great interests that have been endeavoring to secure a lease of this property. Moreover, if these chief arguments fail there is but one conclusion to be drawn, and that is that the opponents of this resolution are correct in insisting that at this time the great Muscle Shoals development is essentially a hydroelectric-power proposition, and that it is so regarded by the great interests that are endeavoring to secure a lease of the property. Further, that if this property is leased as proposed the great dam, power house, and auxiliary steam plant will be largely utilized for the development, distribution, and sale of electrical energy, and that the production of fertilizers will be practically a separate and distinct enterprise based upon the utilization of coal and coke in accord with the latest practice throughout the world.

Therefore, Mr. President, let us consider these assumptions in detail. Assumption 1—and it seems to be very generally accepted by certain Members of this body—is that an increase in the production of artificially fixed nitrogen will necessarily result in a material reduction in the price of nitrogenous fertilizers, thus affording a marked saving to farm operators throughout the country.

Last year the United States consumed 7,500,000 tons of mixed fertilizer, and, in addition thereto, there was consumed about 40,000 tons of nitrogen in the form of sodium nitrate.

Mr. COUZENS. Mr. President, will the Senator yield for a question?

Mr. HOWELL. Yes.

Mr. COUZENS. Does the Senator intend to show what proportion of that 7,500,000 tons of fertilizer is filler, the usual filler used in fertilizer, which is not really productive of fertilization?

Mr. HOWELL. I will take up the composition of fertilizer shortly in a manner in which I think will answer the Senator's question.

Mr. COUZENS. Very well.

Mr. HOWELL. Of this 7,500,000 tons of fertilizer 55 per cent, or 4,150,000 tons, did not contain any nitrogen whatever.

Mr. SMITH. Or any plant food.

Mr. HOWELL. It contained plant food.

Mr. SMITH. No.

Mr. COUZENS. But it did not contain any nitrogen whatever.

Mr. SMITH. Mr. President, if the Senator will allow me, I think, if he will examine carefully the analysis, he will find that 50 per cent or more contained no plant food whatever. There was no element of plant food in it, as I think he will ascertain if he will investigate the analyses.

Mr. HOWELL. Mr. President, I do not propose to dispute the Senator's statement, and his statement is not at variance with my statement to the effect that 4,150,000 tons, or 55 per cent of the total consumption of mixed fertilizer in this country last year, did not contain any nitrogen.

Mr. SMITH. Mr. President, I have a table that has been worked out carefully by the Bureau of Soils, which later I will submit. Without giving percentages, there is not in excess of 300 pounds of plant food in the ordinary ton of commercial fertilizer, which makes 1,700 pounds out of the 2,000 pounds that is what is called filler, that has no food properties or commercial value whatever. So that the percentage of the 8,000,000 tons consumed in this country is as 300 to 1,700.

Mr. NORRIS. Mr. President, will my colleague permit an interruption there?

Mr. HOWELL. Certainly.

Mr. NORRIS. I think the particular question raised by the Senator from South Carolina [Mr. SMITH] is perhaps unimportant as far as the discussion that the Senator from Nebraska is bringing out is concerned. He is discussing the production of nitrogen down at Muscle Shoals. His statement is absolutely correct. There is not any nitrogen in that part of it. I will say to my colleague, however, that I think the evidence disclosed that the Senator from South Carolina is likewise correct in his statement that 1,700 pounds out of 2,000 pounds of every fertilizer product contains no plant food whatever, but my colleague is certainly right. I thought the figures were a little more than he has given. Nobody can question those figures, however, in regard to nitrogen.

Mr. HOWELL. Mr. President, the remaining 3,750,000 tons contained on an average about $3\frac{1}{4}$ per cent of nitrogen, or a total of about 110,000 tons of nitrogen. In addition, as stated before, there was used last year, as nearly as the departments are able to estimate, about 40,000 tons of nitrogen unmixed in the form of sodium nitrate, making the total nitrogen used for fertilization purposes in this country last year about 150,000 tons, and of this but 50,000 tons was in the form of artificially fixed nitrogen—that is, in the form of ammonium sulphate—and 100,000 tons was in the form of sodium nitrate obtained from Chile.

Why is it that but 50,000 tons of fixed nitrogen produced in this country was used last year for fertilizer purposes? Is it because there was no more produced? No; there was about 100,000 tons of nitrogen produced in this country in the form of sulphate of ammonia. Fifty thousand tons went into fertilizer, and about 25,000 tons went into miscellaneous uses; and it was necessary to export, to get rid of, outside of this country, 25,000 tons more.

This indicates that the market here is now supplied with adequate quantities of artificially fixed nitrogen, but that for some reason it does not take the place of sodium nitrate. Is it because it is more expensive than sodium nitrate? No. You can get the same quantity of nitrogen in the form of ammonium sulphate for 80 per cent of what it costs in the form of sodium nitrate obtained from Chile. Such being the case, then, why is it that two-thirds of our nitrogen used for fertilizers in this country is exported from Chile? It is because that form of nitrogen is preferred by the agricultural industry; not because it is cheaper, but because it performs the service required of a fertilizer. It is directly assimilable by plant life, whereas nitrogen in the form of ammonium sulphate has to go through certain transformations in the ground before it becomes plant food.

In other words, there are two sources of nitrogen that are utilized by the fertilizer industry. One is sulphate of ammonia; the other is sodium nitrate. They have been used for years. They will be used for years to come. The trade demands this character of nitrogen. It has been found to be the most satisfactory for agricultural purposes; and, Mr. President, if the price of ammonium sulphate were reduced so that it were 40 per cent cheaper than sodium nitrate, no more ammonium sulphate would be used, in all probability, than is used to-day. Yet it is proposed in this concurrent resolution to provide for the production of 40,000 tons more of fixed nitrogen annually—at least, that would be inferred from this concurrent resolution, if not carefully read—with the idea that this surplus production would reduce the cost of nitrogenous fertilizers in this country. How much could we expect such proposed production to reduce the cost of nitrogenous fertilizers?

Last year there was imported into this country 6,000 tons of sulphate of ammonia, and the tariff was just about 10 per cent of its cost. It would seem that in Germany and other countries of Europe where they have cheap labor, where they have had more experience with the production of fixed nitrogen than we have, where they have developed the direct synthetic method, they can manufacture it more cheaply than we can, and export it to us, paying the tariff; but evidently the measure of the differential is that \$5 a ton. Therefore, Mr. President, under the most favorable circumstances I doubt if sulphate of ammonia can be produced for less than 10 per cent under the market price in this country to-day, even if all that they say and would lead us to infer respecting Muscle Shoals were true. Such being the case, what might we expect would be the saving to the farmer if the price of nitrogen in the form of sulphate of ammonia were reduced 10 per cent?

On the basis of the present market price of nitrogen in that form it costs about \$250 a ton. Therefore a 10 per cent reduction would mean a reduction of \$25 per ton. How many tons

are used in this country? About 50,000 tons. Therefore it is evident that the possible saving would be comparatively small.

That amount, 50,000 tons of nitrogen, would cost about \$12,500,000. There are 6,300,000 farm operators in this country. Divide that number into the total cost of all the fixed nitrogen used in this country in the form of ammonium sulphate, and it amounts to \$2 for each farm operator in the United States. That is the total cost if you wipe out the entire cost of what is being used to-day. But suppose you wipe out only 25 per cent—what does that amount to? Fifty cents for every farm operator in the United States; and this concurrent resolution is being urged before Congress upon the ground that it will mean a tremendous saving to agriculture!

Why, Mr. President, the total nitrogen used in this country last year cost about \$42,500,000. That includes not only nitrogen in the form of ammonium sulphate, but also nitrogen in the form of sodium nitrate. Divide \$42,500,000 by the total number of farm operators in this country, 6,300,000, and we find that the stake of each farmer is \$6.75 if it involved the whole cost; but it could not possibly involve more than 25 per cent of that cost, and what does that amount to? One dollar and seventy cents for every farm operator in the United States! That is a measure of the agricultural factor of the problem that is before the Senate at this time.

Mr. President, the production of an additional surplus of sulphate of ammonia will not mean any particular reduction in the price of sodium nitrate. The use of that fertilizer is too well fixed in this country, and its advantages are too well known. Farmers will utilize it because they find that results are obtainable. They can stimulate plant growth in the cotton fields so that it is observable in a day. This fertilizer is of great value under certain circumstances in circumventing the depredations of the boll weevil. To assume that the production of a large additional tonnage of sulphate of ammonia will tend to supplant sodium nitrate and thus mean a great saving to the farmers in the United States is without justification in my opinion.

As to the second assumption which seems to have been accepted by a number of Senators, to wit, that fixed nitrogen suitable for fertilizer purposes can be produced by the 40,000-ton cyanamide plant at Muscle Shoals at a cost less than that at which such fixed nitrogen can be produced elsewhere in this country. We are told that we ought to turn this cyanamide plant over to a great corporation, together with the Muscle Shoals water power and the steam plant, so that it can be utilized to cheapen fertilizer in this country.

It was in 1910 that the fixation of nitrogen by artificial means was initiated on a commercial scale. There were two processes which bid for public recognition. One was the arc method. The other was the cyanamide method. Both methods were employed until 1913, and in that year only 50,000 tons of nitrogen were produced by plants using these two processes.

Then the Germans discovered a new method. It is known as the direct, synthetic method. It consists of producing pure hydrogen and combining it with nitrogen in bombs by means of a catalyst at a red heat, forming ammonia. That process was such an advance over the first two that its use proceeded by leaps and bounds.

Mr. NORRIS. Mr. President, may I interrupt the Senator at that point?

Mr. HOWELL. Certainly.

Mr. NORRIS. I may be anticipating the Senator, but it seems to me I should make a statement in connection with what the Senator is so clearly saying. The arc process, which came before the cyanamide process, took a great deal more power than did the cyanamide process.

Mr. HOWELL. I intend to take that up.

Mr. NORRIS. In turn, the cyanamide process took a great deal more power than what would be consumed in the third process. The Senator is going to cover that, however?

Mr. HOWELL. Yes, I shall cover that.

Mr. NORRIS. I did not want it omitted.

Mr. HOWELL. I propose to go into that later. Within four years 105,000 tons of nitrogen were being produced annually by the synthetic method, and the cyanamide process had reached its peak—240,000 tons. From that time on, production by the cyanamide process decreased, while production by the synthetic process still grew by leaps and bounds, the production by the arc method practically standing still. In 1923 there were produced about 500,000 tons of fixed nitrogen. Three hundred and twenty thousand tons of that was by the direct synthetic method. In the meantime the production by the cyanamide process dropped from its peak of 240,000 tons to 145,000 tons. The difference growing greater every year.

The cyanamide plant installed at Muscle Shoals was commercially obsolete at the time it was installed, and was so regarded. In support of that statement, I propose to read from a lecture by Dr. Frederick G. Cottrell, chairman of the division of chemistry and chemical technology of the National Research Council, before the Institute of Technology in Boston last year. I shall quote him merely in part.

To summarize this . . . situation briefly, at the outbreak of the war the United States found itself without adequate provision for an emergency supply of fixed nitrogen within its own borders, and incidentally far behind Germany and some other European countries in the development of nitrogen fixation as an element in the national agricultural policy. Under the sudden urge of military necessity—

And action by Congress—

a careful survey of the situation by the nitrate supply committee soon narrowed the immediate question of nitrate preparedness down to a choice between the cyanamide and the direct synthetic ammonia processes. It was clearly realized even at this time that from an economic standpoint, at least as far as new plants were concerned, the cyanamide process has practically become obsolete, due to the success of the Haber plant at Oppau, Germany, which started up in 1913, with an annual production of 7,000 metric tons of nitrogen, and has since been increased to 100,000 tons per year, while a second plant of twice that size had already been commenced at Werserberg, Germany. On the other hand, while we had full knowledge and experience in this country regarding the construction and operation of the cyanamide process, such knowledge and experience, especially with regard to large-scale operation, was almost wholly lacking on the direct synthetic-ammonia process, which was also known to be far more delicate and difficult to control than the cyanamide.

As a result, the officers of the Government determined to construct a 7,000-ton synthetic, or Haber, plant at Sheffield, near Muscle Shoals, it being hoped that such a plant might be made to work notwithstanding lack of experience in this country. Later, in October, 1917, the Ordnance Department was confronted with a very large deficiency in supplies of materials for explosives, and hence it was determined not to depend upon the synthetic plant, but to provide immediately for the construction of a cyanamide plant of 40,000 tons, although the method was deemed to be practically obsolete. However, experience in this country with such a plant was such as to insure certainty of successful operation of this new enterprise. The course taken was ultimately justified, as the synthetic plant never did work successfully, and the cyanamide plant proved a success in actual operation, although only completed a few days before the signing of the armistice.

Mr. NORRIS. Mr. President, may I interrupt my colleague again?

Mr. HOWELL. Certainly.

Mr. NORRIS. I want to assure my colleague that these interruptions have no other object than to throw a little additional light on what he is discussing. I think we ought to have the picture before us. When these plants were constructed we were at war. The object was explosives, a supply of which we did not have. The cyanamide process was well known and well understood, and there was no doubt but that we were able to construct on any scale, large or small, a plant for the production of nitrogen from the atmosphere by the cyanamide process. But our people did not understand the synthetic or Haber process. They knew there was such a process in successful operation in Germany, and that accounts for the fact that in the construction of those two plants down there the cyanamide process was the larger one, because, regardless of expense, we needed explosives. A plant for the production of nitrogen by the cyanamide process was constructed, with a capacity of 40,000 tons of nitrogen per annum.

The other process, the Haber process, constructed near there, at Sheffield, was more or less experimental, although on such a large scale that it would have assisted materially. I think the capacity of the plant was to be between seven and eight thousand tons. They constructed a steam plant in connection with it, as they did with the other plants, large enough to operate it, with a capacity of 5,000 horsepower, as I remember.

The Haber process plant was a failure, no nitrogen ever being produced in it. Hence the money spent for it, outside of the building, which was a very fine, fireproof building, was lost. The building stands there yet, unused. The Haber process now is understood by our people, but it would require the scrapping of all the machinery, practically, in that building in order to go ahead with that process.

In the bill which I have introduced I have provided for the use of this smaller plant as an experimental institution in the production of nitrogen from the air, and it would make it on a larger scale than any that has ever been attempted anywhere in the history of the world.

The other plant, the cyanamide process, while a dead loss in time of peace, is still capable of producing and is in fine order in every respect to produce 40,000 tons of nitrogen per annum. The only excuse we have for keeping it there and maintaining it is as a war proposition. It is utilized now, however, and ever since we have had Muscle Shoals under discussion as a method of deceiving the farmers of America and making them believe that we have something there that might produce fertilizer much more cheaply than it can be produced now. Every scientific man who has ever studied it and knows anything about it has admitted before the committee and everywhere else that it can not be done, and that as to the fertilizer proposition, if nitrate plant No. 2 were turned over without cost, it still would not be able to produce nitrogen to be used in America as a fertilizer proposition, considering the expense that would be necessary to put in the machinery, in sufficient quantities to reduce the cost one cent to the farmer. It must be understood that the cyanamide process at plant No. 2 and the production of nitrogen from the air to be used there as a fertilizer or as an explosive, goes along a certain channel where it will be just the same for fertilizer as it will be for explosives, but it gets up to a point where we go one way for fertilizer and another way for explosives, and we have never yet put in the machinery at nitrate plant No. 2 to utilize it for the production of nitrogen in a different form from that which they would use to produce it for explosive purposes.

It would cost, as I remember it, \$2,000,000 for additional machinery to put in condition nitrate plant No. 2 if we were going to utilize it as a fertilizer proposition. There are two objects in crying before the American people that we should utilize cyanamide plant No. 2 for the production of nitrogen in time of peace. There can be but one of two objects, or both. One is for the temporary purpose of deceiving the farmers of America and making them believe there is something in store through that plant in the way of cheap fertilizer. The other is that cyanamide plant No. 2, if it could be operated, would take practically all of the power that is developed at Dam No. 2, and the power trust or the electric trust would be well satisfied if we would keep that power off the market and use it for the production of nitrogen there that would be of no use to anybody after it was produced.

Mr. HOWELL. Mr. President, as the senior Senator from Nebraska has made very clear, the cyanamide plant at Muscle Shoals was constructed to supply with certainty necessary combinations of nitrogen for the manufacture of explosives during the war. We knew how to construct such a plant. We had such a plant in this country, and although we recognized the fact that at that time such a plant was obsolete we constructed the plant so as to be sure of having a plant that would operate, and that did ultimately operate. They evidently did not construct that plant with any thought of using it for fertilizer purposes. I wish to make that very clear, and to do so I shall quote again from that great authority upon nitrogen fixation, Dr. Frederick G. Cottrell, chairman of the division of chemistry and chemical technology of the National Research Council. I shall read from a statement that he made in a lecture at the Massachusetts Institute of Technology.

Mr. COUZENS. When did he make the statement?

Mr. HOWELL. It was last year some time. I can not give the Senator the exact date.

As plant No. 2 was in thorough operating condition—

Plant No. 2 is the cyanamide plant—

with power at two mills per kilowatt-hour, it was estimated that this plant, if run at full capacity, could make cyanamide at a cost of 9 cents per pound of nitrogen fixed, which is decidedly below current prices of nitrogen in other forms.

I may add that the price is about 12 cents for nitrogen in the form of sulphate of ammonia now and about 15 cents for nitrogen in the form of sodium nitrate.

But, unfortunately, cyanamide can only be used in a very limited quantity in our present fertilizer practice, because when mixed in larger proportions with superphosphate, which is the backbone of the present fertilizer industry, it not only causes reversion on the part of the phosphate to an insoluble form but is itself also converted partly into diocyanamide, which has, when present in sufficient quantity, a distinctly toxic action on plant growth.

Thus this great authority makes it clear that nitrogen in this form is not suitable for fertilizer purposes, and that is the reason why it is not found offered for that purpose in the markets of the world. Then he proceeded:

On the other hand, if cyanamide must be converted into ammonium sulphate—

That is one of the two forms of nitrogen which I have been discussing—

little if any margin of saving would be left as compared with present prices.

In short, Mr. President, the cyanamide plant was not constructed for fertilizer purposes. It was constructed to produce nitric acid for ammunition purposes. It is not suitable for fertilizer purposes to-day, and if we should transform the cyanamide produced into ammonia and then into ammonium sulphate, we would have a cost equal to and certainly, if we took into account the investment, above the cost of producing ammonia by the direct synthetic method, now superseding all other processes.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Nebraska yield to his colleague?

Mr. HOWELL. I yield.

Mr. NORRIS. I think it is fair to state that Doctor Cottrell's estimate, while it took the power investment into consideration by figuring the price at 2 mills per kilowatt-hour, had no estimate whatever of the cost of the nitrate plant itself. He took that for nothing without any capital charge whatever, as I understand it.

Mr. HOWELL. Yes; and he figures the power at about \$18 per horsepower per annum.

Mr. SHORTRIDGE. How much would the plant cost?

Mr. HOWELL. The plant cost about \$66,000,000.

Mr. NORRIS. Of course, it ought to be said in this connection that the plant could be built more cheaply to-day than that price. I do not know how much more cheaply than during the war it could be built, but nobody would build that kind of a plant now. While the plant in that system is just as good as anybody can build, and I am not criticizing it at all and I think they were justified in building it, yet if the Government were doing it now, with what it knows about the Haber process, it would not construct that plant there. It would have constructed a Haber process plant, but as a matter of fact would almost entirely, under the synthetic process, eliminate the question of power. Where they have it in Germany, they do not use even the water power.

Mr. SACKETT. Where they figure the horsepower at \$18, would that pay the interest upon the construction of the dam?

Mr. NORRIS. I have not figured it out, but I am inclined to think it would. But the power at \$18 per annum is very cheap power.

Mr. SACKETT. Would that pay the interest upon the construction of the dam at Muscle Shoals and the machinery, and so forth?

Mr. HOWELL. The senior Senator from Nebraska is familiar with that and I will ask him to answer the Senator's question.

Mr. NORRIS. I am speaking only from recollection now, but I think it is a little under the price. I am only speaking from recollection and I do not have the figures before me, but they are in the Record.

Mr. HOWELL. I wish to say that some of the lowest prices made for power at Niagara Falls are about \$20 per horsepower. Taking everything into consideration, including the cost of the Wilson Dam, I can not believe that even the Government could sell the power and pay the cost of operation, maintenance, and depreciation and a return upon the money for \$18 per horsepower.

Mr. SACKETT. That is what I wanted to ascertain.

Mr. HOWELL. Therefore, as Doctor Cottrell's estimate of cost is based upon \$18 per horsepower and probably takes no account of interest upon the investment, it can be seen that it is indeed an obsolete plant and that no commercial bidder would make an offer for Muscle Shoals upon the basis of the operation of the cyanamide plant to produce 40,000 tons of sulphate of ammonia a year.

Mr. HEFLIN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Alabama?

Mr. HOWELL. I yield.

Mr. HEFLIN. The Senator certainly knows that whoever gets Muscle Shoals will not be required to use the cyanamide process? He can use any kind of process that he chooses to

use. He can make nitrogen solely or he can make complete fertilizer if he wishes to do so. Whoever shall lease the plant will have the phosphate fields of Tennessee close by, he will have the green potash shales in Georgia, and the air overhead is full of nitrogen.

Mr. HOWELL. Mr. President, I thoroughly understand that under this resolution a lease may be made in conformance therewith that will enable the lessee to make just what fertilizer he sees fit and utilize the power exactly as he sees fit. But I am pointing out to Senators that no bid made upon a commercial basis will be received for Muscle Shoals because the cyanamide plant is there. The lessee will seemingly accept the cyanamide plant and agree to make a fertilizer in order that he may get the great hydroelectric power. That is the prize.

Let me say further that the lessee can now install a direct synthetic process plant at Muscle Shoals for about \$250 a ton. If the bidder shall proceed to construct a 40,000-ton plant on that basis, it would cost him \$10,000,000. When the plant is completed it will be of the latest type, and during the period of his lease if he sets aside \$66,000 annually in a sinking fund at 4 per cent interest he will amortize the cost of that plant by the end of 50 years.

Therefore, Mr. President, it seems to me that, in view of these facts, this assumption is absolutely without foundation, to wit, that fixed nitrogen suitable for fertilizer purposes can be produced by the 40,000-ton cyanamide plant at Muscle Shoals at a cost less than such fixed nitrogen can be produced elsewhere in this country; and yet that is what, by inference, we have been led to believe. It seems to be fixed in the minds of some of the Senators that this assumption is correct. It is not correct; it has no foundation whatever.

Mr. HEFLIN. Mr. President, will the Senator permit an interruption at that point?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Alabama?

Mr. HOWELL. Certainly.

Mr. HEFLIN. Mr. Hooker, of New York, who manufactures fertilizer, testified that he thought the lessee could make fertilizer for half the price at which it is now selling. Mr. Mayo, who was chief engineer for Mr. Ford, stated the same thing.

Mr. HOWELL. Just a moment. Did the gentleman say a lessee could make fertilizer with the cyanamide plant for that price?

Mr. HEFLIN. They did not say anything about that. The lessee will not have to use the cyanamide process, and he probably will not do so.

Mr. HOWELL. That is the point I have been making. The lessee does not need to use the cyanamide plant; he can well afford to put \$10,000,000 into a new plant, amortize it at the rate of \$66,000 a year for the 50 years of the lease, fulfill, if necessary, even the maximum requirements suggested for the lease, and thus secure that great power that will bring him millions of dollars a year.

Mr. SHORTRIDGE. Mr. President, may I ask the Senator from Nebraska a question?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from California?

Mr. HOWELL. Yes.

Mr. SHORTRIDGE. But could the lessee make fertilizer? Is there now any known process by which he could make fertilizer? That is what we are seeking, is it not, I will ask the Senator from Nebraska? If there is any way to make fertilizer—perhaps the Senator has previously stated it—I should be glad to know the state of the science in that respect. I beg the Senator's pardon for asking the question if he has already covered that field.

Mr. HOWELL. I shall be glad to cover it again briefly. We are producing in this country about 100,000 tons of fixed nitrogen per annum by artificial means, and about 50,000 tons of that is now going into fertilizer. This cyanamide plant might produce that nitrogen, but to so produce it would cost much more than by the new German direct synthetic process.

Mr. SHORTRIDGE. It is not proposed, then, is it, that the lessee should undertake to use the discredited or superseded process? No one proposes that, does he?

Mr. HOWELL. No, Mr. President; and I have tried to make plain that whoever takes over the plant at Muscle Shoals will not take it over because the cyanamide plant is there or that a lessee will use the cyanamide plant, but that if he produces fertilizer he will put in a new plant of synthetic character, at a cost at the present time of about \$10,000,000, and that by setting aside a fund of \$66,000 per year at 4 per cent interest he will have wiped out at the end of his lease the cost of the plant. Thus, if he should merely earn interest on the

plant, \$66,000 per year will be the cost to him of the great Muscle Shoal development, so far as fertilizer is concerned.

Mr. SHORTRIDGE. I suppose we shall take all those facts into consideration in passing upon any offer to acquire this property under lease, would we not, I will ask the Senator from Nebraska? Assuming those things to be facts—and I am not disputing them—we would take them into consideration, would we not?

Mr. HOWELL. But the point I am making is that the country is being led to believe that this is a fertilizer proposition. It is not a fertilizer proposition, and I am trying to show that it is not a fertilizer proposition; that that is simply an incident, and that, as an incident, it is being used to prevail upon Congress to lease this plant because such a course might help the farmer.

Mr. COUZENS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Michigan?

Mr. HOWELL. Certainly.

Mr. COUZENS. I should like to have the Senator state, if he will, the amount of horsepower that would be used if a plant were put in to produce under the new German process in comparison with the horsepower to be used to operate the old plant.

Mr. HOWELL. I am going to proceed with that now.

Mr. SACKETT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Kentucky?

Mr. HOWELL. I yield.

Mr. SACKETT. Before the Senator proceeds to do that, for a matter of information I should like to ask him a question. I gather from the Senator's remarks that if the lessee were to build a new plant for \$10,000,000, he would still produce ammonium sulphate, would he not?

Mr. HOWELL. At the present time there is no other practicable form of fixed nitrogen.

Mr. SACKETT. If the lessee should produce the ammonium sulphate, the demand for it in all probability would be no larger than it is at the present time for fertilizer?

Mr. HOWELL. In all probability that is a fact, and they would have to find a market abroad for that much more.

Mr. SACKETT. At the present time in this country we are producing all we need, are we not?

Mr. HOWELL. We are not only producing all we need, but we exported last year about 120,000 tons of sulphate of ammonium. We could not use it in this country.

Mr. SACKETT. I should like to ask the Senator one other question. Does the Senator know for what they are using the ammonium sulphate which they are producing under the Haber process in Germany to-day?

Mr. HOWELL. They are using it for the production of ammonia; they are using it in chemical processes, and they are using it also for fertilizer.

Mr. SACKETT. Does the Senator know what amount is used for fertilizer in Germany?

Mr. HOWELL. I have not the statistics in connection therewith.

Mr. TYSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Tennessee?

Mr. HOWELL. I yield.

Mr. TYSON. I should like to ask the Senator a question. He says that it is not a fertilizer proposition. What kind of a proposition does the Senator think it is?

Mr. HOWELL. I look upon it as purely a hydroelectric-power proposition, and in my discussion of the next assumption I will give my reasons for so believing.

The third assumption, to which I have already referred and which seems to have been accepted as a fact by a number of Senators and others without this body, is that to-day the production of cheap artificially fixed nitrogen is dependent upon the utilization of low-cost electrical energy and hence upon some great hydroelectric power development such as that at Muscle Shoals. This assumption seems to have been considered a fact both in and out of Congress, and it is very clear why such is the case. The first method of fixation of nitrogen was that of the arc process, and it required about 65,000 kilowatt-hours to produce a ton of fixed nitrogen. At 1 cent per kilowatt, that would mean that for a ton of nitrogen the power alone would cost \$650; and that at two-tenths of a cent per kilowatt-hour it would mean \$150 a ton for energy alone. Of course, under such circumstances the only practicable development of such a process was in connection with some great water power located at some point where the raw materials could be

easily obtained and power was worth comparatively little because of lack of population.

Mr. SACKETT. Mr. President, will the Senator yield to me for a moment?

Mr. HOWELL. Certainly.

Mr. SACKETT. Can the Senator tell me whether the Haber process in Germany is using water power to any extent?

Mr. HOWELL. No, sir; it is not.

Mr. SACKETT. Under that process coal is being used, is it not?

Mr. HOWELL. Coal is being used entirely.

The cyanamide process came on. It was more complicated than the arc process. Other expenses were connected with it that did not accompany the arc process; but it used only about one-fourth of the power. As a consequence, the arc process did not continue to develop. The cyanamide process did develop; but, as I pointed out a short time ago, in 1913 the German synthetic process appeared, and that requires only one-sixteenth of the power necessary for the arc process. As a matter of fact, under this synthetic process power becomes a small, minor factor. The important things are coal and coke. Prior to the development of this process they placed an arc-process plant beside a great waterfall or other power possibility. Now, when they are looking for a location for an ammonia plant, they hunt an available coal mine. That is demonstrated by the fact that the du Ponts are developing a great nitrogen plant now, not near a waterfall, but at the shaft of a great coal mine.

Not long ago the Department of Commerce issued Trade Information Bulletin No. 372, and I propose to read from that bulletin a short extract that is in point. This extract is sub-headed: "Waterpower and fertilizer production." It runs as follows:

Due to the fact that the first successful nitrogen-fixation plants were operated in Norway and depended for their success upon the very cheap hydroelectric power available there, the idea that nitrogen fixation can be accomplished economically only with cheap power has become very firmly rooted in the minds of most persons. So long as the arc process remained the sole means for fixing nitrogen commercially this idea was correct; but in the 20 years that have passed since the first arc plants were set up great progress has been made in the art, and to-day there are methods of nitrogen fixation requiring only one-fifteenth as much power as the arc process. The art of nitrogen fixation has therefore been largely freed from the old limitation of cheap power.

Electric power is a power in a form particularly adapted for public-utility service; that is, for general distribution for lighting and power. Nitrogen can be fixed by chemical processes using coal, water, and air as the raw materials and requiring relatively small amounts of power per ton of nitrogen. With such processes available, an air-nitrogen industry can not compete in the market for electric power, either with the general public demand for current or with those chemical industries which can not use other than electric power.

What is true of nitrogen will also hold for other fertilizer materials subject to manufacturing processes. Just at present we hear much of certain electric-furnace methods for producing phosphoric acid. While these may have a period of usefulness at points where new hydroelectric installations have been made, and the general domestic and industrial demand has not yet absorbed the power, nevertheless it appears inevitable that electric-furnace processes must in the long run be limited to those requiring such high temperatures as to make them difficult without the use of electric power.

In the fields of fertilizer manufacturing we must regard the use of hydroelectric power as a temporary expedient and expect that eventually this power must be relinquished for more profitable uses.

That is exactly what this concurrent resolution has in mind, so far as its ultimate originators are concerned. They know that this is a great power project at Muscle Shoals; that it no longer has any necessary connection with the production of fertilizer; that no longer are hydroelectric power and cheap fertilizer synonymous terms.

But, Mr. President, for evidence we need not stop with the Department of Commerce. Again, I will quote from that great authority, Dr. Frederick G. Cottrell, chairman of the division of chemistry and chemical technology of the National Research Council. This is from a lecture delivered before the Massachusetts Institute of Technology.

He says in part:

The public has come to think of nitrogen fixation as necessarily implying water power. But this assumption we must * * * examine with care. * * *

The first commercially successful attempt to fix nitrogen was by the arc process some 20 years ago. This was quite naturally the

first process to develop because of its simplicity, consisting, as it does, essentially in passing air through a powerful electric arc. * * *

I am quoting him merely in part.

The process, though extremely simple, has an enormous power consumption (about 65,000 kilowatt-hours per ton of nitrogen fixed), and consequently is only applicable where excessively cheap electric power is available. Thus the public came naturally, and correctly enough in those early days, to think of nitrogen fixation as necessarily dependent upon the development of large, new water-power projects. In the meantime research and development have vastly altered the situation, but the public mind has not kept pace with these changes, and this has naturally been reflected by those responsible for guiding our industrial and national policies.

And, Mr. President, that applies right here in the Senate.

The farmer, the business man, and the legislator can not be expected to delve deeply into the technique of these scientific processes.

He then goes on; I will quote just a few paragraphs more:

On the heels of the arc came the cyanamide process. Then, though considerably more complicated than the arc process, required only about one-fourth as much electrical energy for its operation; but even here, the power consumption is still so large that commercial success has only been possible where very cheap power was available.

Finally, however, in 1913 in Germany came the first commercially successful Haber-Bosch plant for the direct synthesis of ammonia from its elements, hydrogen and nitrogen. It was this plant and process which for the first time released the nitrogen fixation industry from its former absolute dependence upon cheap electric power. The power requirements of this process are only about one-fourth of those of the cyanamide, or a sixteenth of those of the arc. * * *

Thus, starting with the arc process, which we may roughly say used only electric power, air and water, we come next to the cyanamide process, largely cutting down the power consumption, but beginning to use more raw materials in the form of coal, coke, and limestone, and finally reach the direct synthetic ammonia process where the consumption of electrical or mechanical energy, as such, becomes relatively insignificant, and the driving energy to put through the chain of the necessary reactions is derived directly from coal by chemical processes without the necessary use of electrical power.

Mr. President, certainly it ought to be clear that no longer are cheap fertilizers necessarily the effect of which cheap electrical power must be the cause. The industry has been released from the necessity of cheap power.

Mr. WATSON. Mr. President, may I ask the Senator a question?

Mr. HOWELL. Certainly.

Mr. WATSON. Do I understand the Senator to say that they do not make at Muscle Shoals the kind of nitrogen that is required for the manufacture of fertilizer?

Mr. HOWELL. That is my statement.

Mr. WATSON. Will the Senator explain that? What is the difference between that and the other kind that they do use for manufacturing fertilizer? I am asking just for information.

Mr. HOWELL. I can answer that question in a very few words by quoting from Doctor Cottrell. This is a quotation which I have already made, Mr. President:

As plant No. 2 (the cyanamide plant at Muscle Shoals) was in thorough operating condition, * * * with power at 2 mills per kilowatt hour, it was estimated that this plant if run at full capacity could make cyanamide at a cost of 9 cents per pound of nitrogen fixed. * * * Cyanamide can only be used in very limited quantities in our present fertilizer practice, because when mixed in larger proportions with superphosphate, which is the backbone of the present fertilizer industry, it not only causes reversion of parts of the phosphate to insoluble forms, but is itself also converted partly into dicyanodiamide, which has when present in sufficient quantity distinctly toxic action on plant growth. On the other hand, if the cyanamide must be converted into ammonium sulphate—

That is the form in which fixed nitrogen is sold in this country—

little, if any, margin of saving would be left as compared with present prices.

In other words, at a cyanamide plant, after producing cyanamide, it is necessary then to transform the cyanamide into ammonia and neutralize it with sulphuric acid to produce ammonium sulphate.

Mr. SACKETT. Mr. President, may I interrupt the Senator?

Mr. HOWELL. I yield.

Mr. SACKETT. What is the effect of the use of nitrate of soda upon plants—that is what I think the Senator from Indiana wants to get at—as compared with ammonium sul-

phate? Professor Cottrell there states that if ammonium sulphate is used as a fertilizer, you run into these difficulties.

Mr. HOWELL. No; if you use cyanamide direct.

Mr. SACKETT. If you use ammonium sulphate, what is the situation?

Mr. HOWELL. Ammonium sulphate is used in fertilizers to the extent of about 50,000 tons of nitrogen a year in this country.

Mr. SACKETT. That is all the demand there is for it?

Mr. HOWELL. That is all the demand there is for it for that purpose at the present time, and we produce about 100,000 tons.

Mr. WATSON. For what do they use it?

Mr. HOWELL. They use it in the manufacture of ammonia and in certain chemical processes. About 120,000 tons of ammonium sulphate were exported in 1924.

Mr. WATSON. But they do not use it in the manufacture of fertilizer?

Mr. HOWELL. Oh, yes. They use about 232,000 tons of ammonium sulphate a year. About one-third of the nitrogen used in this country for fertilizer purposes comes from ammonium sulphate, and two-thirds is imported from Chile in the form of sodium nitrate.

Mr. WATSON. Nitrate of soda?

Mr. HOWELL. Yes.

Mr. SACKETT. What is the effect of that nitrate of soda on the land as compared with the other?

Mr. HOWELL. Nitrate of soda is in a form which can be immediately absorbed by plant life, whereas ammonium sulphate is in a form, as I understand it, that has to be first acted upon by bacteria before absorption. Thus, in a cotton field, if the plants have reached a certain stage, the planter may largely thwart the boll weevil by stimulating growth through the application of nitrate of soda.

Mr. WATSON. Are we to understand that no nitrogen is being manufactured at Muscle Shoals which can be used in the production of fertilizer?

Mr. HOWELL. No; and there never has been. The plant is an obsolete plant, a fact which I think I have demonstrated this afternoon. It can be used for the manufacture of sulphate of ammonia, but they first have to make cyanamide, then ammonium, and then sulphate of ammonia, whereas with the Haber process—the synthetic process—they first make pure hydrogen, then isolate and purify nitrogen, assemble the two gases in a bomb at a pressure of 1,500 to 3,000 pounds per square inch, or even more, and pass the gases through a red hot catalyst, and the result is a combination of nitrogen and hydrogen.

Mr. SACKETT. It can be done by the use of coal, just as well as by the use of water power?

Mr. HOWELL. They need scarcely any power except for compression. Power does not amount to 10 per cent of the cost of production, where formerly it was 60 per cent of the cost of production. So that to-day the fertilizer industry is relieved from the necessity of finding cheap power.

Mr. President, it ought to be clear to anyone who studies this proposition that any suggestion that the farmer is to benefit in the way of cheap fertilizer by the transferring of this great plant to some corporation that is merely to agree to make fertilizer which can be disposed of up to 40,000 tons of fixed nitrogen per annum is without foundation.

As I have studied this subject, I have gleaned much I did not know, and I assume there are some Senators here who may not have given any more attention to the matter than myself, or there may be those who still have it fixed in their minds that the production of cheap fertilizer requires cheap electrical energy, and hence by dedicating the great Muscle Shoals plant to the production of fertilizer, we would do something for the farmers. However, in view of the facts elicited, I believe it must be apparent that there is now no necessary connection between Muscle Shoals and fertilizer. That is indicated by the fact that the du Ponts, now developing one of the greatest nitrogen fixation plants in the country, are not locating that plant beside a water power, but at the mouth of a coal pit. This indicates the future of fertilizer production in this country.

Why, then, are those who know all about the situation, those who have been preparing the way for bids on this project, allowing the people of the country to believe that the bids are to be for the privilege of making fertilizer down at Muscle Shoals and not for the great power? It is the power the bidders will seek. There is the water power there which for 360 days of the year will produce 125,000 horsepower. Over there on the wall of the Senate Chamber are photographs of the great dam, the greatest continuous piece of concrete in the world, I am told. Muscle Shoals is the superpower between the Rocky Mountains and the Atlantic Ocean and Niagara Falls and the

Gulf. There have been expended there about \$150,000,000. It is a prize which belongs to the people, and it is a prize that is now being sought by commercial interests. I am not condemning such commercial interests for seeking the prize. But I think we ought to consider and understand exactly what a prize it is and what those interests have in mind, and not be misled into believing that by alienating this property we will be doing something great for the farmers in reducing the cost of fertilizer.

I want to state again the total that is involved, so far as the fixation of nitrogen and its use for fertilizer in this country is concerned. We used 150,000 tons of nitrogen this past year. It cost the farmers \$42,500,000, and there are 6,300,000 farm operators in the United States. In other words, they were interested to the extent of \$6.75 on an average. That is the whole amount of nitrogen that was used on all farms as a fertilizer this last year.

Of course, we could not expect to relieve the farmer of this cost entirely. Suppose we should succeed in relieving him of 25 per cent of the cost. Certainly, I think, we would be optimistic in assuming that much. What would that amount to? It would be about \$1.70 on an average to each farm operator in the United States.

Mr. WILLIAMS. Why does the Senator figure on distributing that among all the farmers? We do not use fertilizer in Missouri.

Mr. HOWELL. I thought probably it might be suggested that it ought not to be distributed among all the farmers, so I took the State of Alabama, and found that this last year they used of mixed fertilizer 4,500 tons of nitrogen in the form of ammonium sulphate. The total cost of this nitrogen in Alabama was \$1,125,000 for that 4,500 tons. There are about 250,000 farm operators in Alabama; so they paid for the nitrogen in the form of ammonium sulphate in mixed fertilizers about \$4.50 per farm operator. If they reduced the cost of that 25 per cent, it would amount to \$1.13 for each farm operator in Alabama.

Mr. STANFIELD. Mr. President—

The PRESIDING OFFICER (Mr. Tyson in the chair). Does the Senator from Nebraska yield to the Senator from Oregon?

Mr. HOWELL. I yield.

Mr. STANFIELD. I would like to suggest to the Senator from Nebraska that there are a great many farmers in Alabama who do not use fertilizers, and in order to make a fair comparison he would have to distribute that consumption of fertilizer among the farmers who actually use fertilizer or he would have to reduce it to acreage and to the per acre average for fertilizer use in order to make a fair comparison.

Mr. HOWELL. I wish the Senator from Oregon to understand that I am not adducing these figures in the belief that they will be accepted as actual measures, but merely to give a general notion of the relative importance of the fertilizer factor in this problem.

Mr. STANFIELD. It seemingly would be a very small burden where distributed among all the farmers or among the farmers of a particular State, but we know as a matter of fact that with reference to the certain farmers who are compelled to use fertilizer it is a very heavy burden, and the relief that they would receive as individuals might run into large sums of money.

Mr. HOWELL. There is no question that there would be those whose cost for artificially fixed nitrogen would be very much in excess of this figure, but such data does give somewhat of a bird's-eye view of the situation and the meaning relatively of such a reduction as 25 per cent in the cost of sulphate of ammonia or of the amount of such nitrogen used in mixed fertilizers in the State of Alabama.

Mr. President, it is very evident that whoever secures Muscle Shoals, if it is leased to some great industrial concern, will utilize the resources of that great power so as to accomplish the greatest economic result possible from a profit standpoint and they will do so properly. The results to such an organization will be tremendous. In order that we may realize that such is the case I want to call attention to what water power means to a community when it is developed and distributed for the benefit of that community, and what it means to a community when it is developed and distributed for private profit.

Last fall I took advantage of an opportunity to pass through Ontario and investigate, so far as possible with the time at my disposal, the hydroelectric development in that province. I was amazed to find that since 1911 every municipality in Ontario has taken over its privately-owned electric plant or built its own electric distribution system and is now distributing electricity to the community. In Ontario there are about 2,900,000 inhabitants, and there are 393 communities which own

their own distribution systems supplied by the Hydroelectric Commission of Ontario which is merely a board of directors of a great power district, distributing electric energy from 20 different power plants.

The first night I spent in Ontario was at a little city called Woodstock, with some 10,000 inhabitants. I arrived there in time for dinner and later talked with the hotel clerk. He said that at his home they utilized electricity from the hydroelectric plant distributing energy in Woodstock. In fact, there was no other system from which to obtain electrical energy. He said that they used the energy for all purposes, including cooking and ironing, and that his bill ran about \$1.50 to \$2 a month. Shortly afterwards the hotel proprietor himself appeared. I asked him if he had a bill for a month's use of electricity at the hotel. The hotel had 50 rooms. He got out his bill file and at random picked out a bill. It was for the month of April, 1925, the use being 2,659 kilowatts for that month. He not only used electrical energy for lighting, but for all laundry work, dishwashers, and so on. It was about his usual bill. The net amount charged for 2,659 kilowatts was \$24.48, or about 0.92 of a cent per kilowatt-hour.

In Alabama, the State where this great Muscle Shoals hydroelectric power is located, where the Alabama Power Co. supplies Birmingham and other cities with electrical energy developed by water power—that great power company that has its eyes on Muscle Shoals—the people of Birmingham are supplied electric energy developed by water power, as is the little city of Woodstock, 100 miles away from Niagara Falls; but the same amount of electrical energy—2,659 kilowatt-hours—would cost \$123.85, or nearly \$100 more per month than is charged in Woodstock. For the purposes of comparison I asked for the amount of a bill for 40 kilowatts a month, a consumption that would not be unusual for a five or six room house in Washington. The bill in Woodstock for that amount of energy was 97 cents. In Birmingham, Ala., supplied by the Alabama Power Co., it would be \$3.16.

Again I asked to see a bill for a month rendered to a home where they used electricity for laundry work, dish washing, and cooking, and the manager of the electric plant in Woodstock handed me such a bill. It was for 311 kilowatts for the month. It cost \$3.51 for 311 kilowatts in Woodstock. In Birmingham, where the Alabama Power Co. controls, 311 kilowatts cost \$20.17. In Atlanta, where the Atlanta Power Co. controls, 311 kilowatts cost \$22.19, and Atlanta is supplied with water power. In Chattanooga the cost was less, \$14.85. But the cost for that amount of power in Woodstock is \$3.51.

Mr. President, we do not need to go to Canada for an example of what can be done for the public. Of course the example afforded by Ontario is remarkable. I found that of the 393 municipalities that had united and cooperated to supply themselves with electrical energy, 39 were already practically out of debt at these rates, and 24 others were nearly out of debt—only owed a few thousand dollars each over and above their quick assets. But, as I said, we do not need to go to Canada to see what can be done for the people so far as electrical energy is concerned.

Consider Cleveland, Ohio. Since about 1912, down to the present time, all through the World War, 40 kilowatts per month in Cleveland have cost \$1.20 as against 97 cents in Woodstock and \$3.16 in Birmingham. Consider a bill for 311 kilowatt hours; we find that in Cleveland it would be but \$9.33, and in Birmingham, Ala., supplied by water power, it would be \$20.17.

Again we find that in Cleveland 2,659 kilowatt-hours would cost \$79.77. There electricity is developed by steam and steam only. In Birmingham, Ala., that bill would be, though the energy is developed by water power, \$123.85.

Mr. President, why these great variations? It is not the cost of electric energy on the switchboard that fixes the price of your electric-light bill and mine; it is the cost or rather what is charged for distribution. At Woodstock the town paid about four-tenths of a cent a kilowatt-hour for its energy and then distributed it. It does not cost the Potomac Electric Power Co. here in Washington more than seven-tenths of a cent a kilowatt-hour to produce electricity by steam; but a private company, operated for profit, distributes it. The difference between what the people in Woodstock pay and what it costs here on the switchboard is three-tenths of a cent, but when one comes to compare these bills for a month for 40 kilowatts he finds it is about \$3 here, 97 cents in Woodstock, and \$1.20 in Cleveland. Why? Because both in Woodstock and Cleveland the distribution is controlled by the people.

A tremendous benefit can be conferred upon the people in the United States if we finally determined to experiment a little with the great Muscle Shoals power. We could do exactly what has been done in Ontario. We could provide for a board

of directors to operate the plant. It would not need any further appropriations for construction. Let the board of directors have the income to further develop the plant and ultimately to amortize its cost—not merely of the dam but of all that has been expended at Muscle Shoals. Let them deliver this energy by transmission lines to the limits of municipalities in that region and say, "Distribute for yourselves," as is done in Ontario, and they can have ultimately the same kind of rates the people enjoy in Ontario.

There is no magic in this plan, but it will work like magic.

The trouble with the Muscle Shoals problem is that the great electrical corporations of this country do not want that kind of an example established. Why? They know what has taken place on the other side of Lake Erie. They know that nearly every privately owned electric-light plant in Ontario is out of business.

The investment at Muscle Shoals is relatively a trifle, so far as the Government is concerned, but, Mr. President, this Congress and President Coolidge could perform a tremendous service for the Nation by announcing that Muscle Shoals should never be alienated; that this, the greatest water power between the Rocky Mountains and the Atlantic Ocean, between the Canadian border and the Gulf of Mexico, should be ever retained by the people of the United States to be utilized for their benefit to the uttermost.

It is for that reason, Mr. President, that I do not think this resolution should pass.

Mr. NORRIS. Mr. President, may I interrupt my colleague?

The PRESIDING OFFICER. Does the junior Senator from Nebraska yield to his colleague?

Mr. HOWELL. I do.

Mr. NORRIS. Mr. President, the junior Senator from Nebraska was speaking of the town of Woodstock, in Ontario, and giving some very illuminating illustrations. I think it would be of interest if at this point I should, through the courtesy of my colleague, give to the Senate some statistics in regard to the cost of electric light in the town of Woodstock, particularly for the last year.

The people in the town of Woodstock have been using the electric current supplied by the hydro commission since 1913. Prior to that time they were getting their electricity from a private corporation, and paying 8 cents a kilowatt-hour plus a service charge—that is, for domestic service—and that is the kind of service about which my colleague has been talking.

For the calendar year ending October 31, 1924, the net cost per kilowatt-hour to the domestic users of electricity in Woodstock was less than 2 cents; to be exact, it was 1.6 cents per kilowatt-hour. The average consumption of all the consumers for domestic service in that town was 102 kilowatt-hours per month, more than twice the average in a similar town in the United States. The average monthly bill for all of the domestic consumers in Woodstock for that large amount of electricity was \$1.68 per month. There were 2,409 domestic consumers.

And now, with the permission of my colleague, so that we might avoid any possibility of somebody saying that low rates apply only to the homes, I should like to give the statistics for Woodstock for commercial lighting, for stores, and so forth. There were 428 such establishments in that little town. The average consumption of those business concerns was 242 kilowatt-hours per month, which, as the Senator knows, is much more than would be consumed here where we pay a higher price. The average bill of all the commercial consumers was \$4.43 a month. The net cost per kilowatt-hour was 1.8 cents.

Then, going still further, to show that these reduced prices not only apply to the homes and to the business houses but also to those who use power, I should like to give to my colleague, and through his courtesy to the Senate, the rates they have to pay for power. It is said by some that Ontario has a low price for one class and a higher price for the others. There were in 1924 in Woodstock 86 customers taking the power service. The average horsepower consumed per month was 2,048 and the average cost per horsepower was \$20.79.

Mr. HOWELL. Mr. President, the senior Senator from Nebraska has cited some data that make it plain that low electric rates in Woodstock and elsewhere in Ontario are not enjoyed merely by householders. I have not gone into the power charges in Ontario to-day, but at some future time it is my intention to take up this matter at greater length. It is now my purpose to close, again stating that there is no connection necessary between cheap fertilizer and the power at Muscle Shoals. That might have been true 20 or 25 years ago, but to-day it is not true, and whenever the suggestion of fertilizer is made as a reason why we should alien this great power it is proposed either through a misunderstanding of the situation or problem or with a deliberate intent, as, I believe,

on the part of certain great interests to mislead the public to the end of securing this great power under false pretenses. Therefore, Mr. President, I trust that this resolution will not prevail.

BIG SANDY RIVER BRIDGE, KENTUCKY-WEST VIRGINIA (S. DOC. NO. 76)

Mr. BINGHAM. Mr. President, I ask unanimous consent for the reconsideration of the votes whereby the Senate yesterday passed House bill 5043, granting the consent of Congress to the construction of a bridge across the Big Sandy River between Kentucky and West Virginia. If this reconsideration is granted I propose to ask unanimous consent for the immediate consideration of the bill and an amendment thereto. The reason for making the request at this time is in order that the bill as amended may go over to the House to-day.

The PRESIDING OFFICER. Is there objection to the request for a reconsideration of the vote by which the bill was passed? The Chair hears none; and without objection, the vote by which the bill was ordered to a third reading and read the third time will be reconsidered.

Mr. BINGHAM. I now ask unanimous consent for the present consideration of the bill, and for the consideration of an amendment which should have been made yesterday.

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The amendment offered by the Senator from Connecticut will be stated.

The LEGISLATIVE CLERK. On page 2, lines 22 and 23, it is proposed to strike out the words "for the purpose of maintaining and operating such bridge as a free bridge."

Mr. BINGHAM. Mr. President, I may say that this is in accordance with the policy of the committee that when a State or a subdivision thereof takes over a toll bridge, there should be no stipulation as to when it shall be made a free bridge, but that should be left entirely to the local authorities and taxpayers of the State or district concerned.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. BINGHAM subsequently said: Mr. President, since the call for a quorum there are a number of Senators now present who are interested in the question of bridge bills and the question of granting to private companies the right to build toll bridges. As the Committee on Commerce took definite action yesterday with regard to the policy which it should recommend to the Senate in regard to all toll bridges, and this policy was expressed yesterday in the RECORD at the end of the day at pages 4995 and 4996, I take this opportunity of calling to the attention of Senators interested in bridge bills the fact that on those pages they will find the policy of the committee expressed.

Mr. LENROOT. Mr. President, I should like to suggest to the Senator from Connecticut, as there will be many inquiries in regard to that matter, whether it would not be advisable to have that policy printed in the form of a document which we might send out?

Mr. BINGHAM. I shall be very glad to make such a request.

Mr. SWANSON. Mr. President, I suggest that it will be well to have it made a public document, so that it can be available to Senators; just the same as to the parties who are desirous of having bridge bills introduced and passed.

Mr. BINGHAM. I make that request, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE AGRICULTURAL SITUATION

Mr. HARRIS. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Mr. Don W. Wilson, one of the leading bankers of my State, in regard to agricultural conditions.

The PRESIDING OFFICER (Mr. Tyson in the chair). Is there objection? The Chair hears none.

The matter referred to is as follows:

BANK OF DULUTH,
Duluth, Ga., March 1, 1926.

Hon. WILLIAM J. HARRIS,
Washington.

DEAR MR. HARRIS: From our news reports there seems to be lots of legislation contemplated to handle the surplus crops. I have been studying the cotton situation for some time, and what I learn through the last 50 years it is a wonder that any farmer raising cotton has survived the "ups and downs" of prices in each year.

To-day the farmer is being urged to reduce acreage, which is not going to be done until they break the price below where it is possible to raise cotton. In this section it was virtually a failure last year. A larger crop is the only way out to the average farmer. In the past to ask him to reduce acreage has been accepted as an invitation to work less. He plants everything else on a maximum-yield basis, but rarely harvests that way. Knowing that, he hesitates to reduce his cotton crop.

I can see no legislation to benefit the cotton farmer, with his education and training, except a law placing a minimum price on cotton, maintaining the same in a surplus year by the Government buying and storing the surplus, and then taxing directly the farmer the value of the surplus before planting another crop. I have tried to work out a plan that is practicable, using the cost basis now worked out by the Agricultural Department, both as a price-fixing and as a tax-paying standard.

It is only a question of time when the eastern part of the belt must have some protection from wide fluctuating prices or go broke. The virgin soil is about used up, the fertilizer bills are getting heavier, and insect pests are finishing the balance. In five years the West will raise all the cotton the world needs to-day and a surplus sufficient at the same time to lower the price to where it will break the farmer. They can never stand the shocks that the eastern farmer has stood. I believe the kind of legislation mentioned would save us all, allow us time to get back our confidence, and improve our standard of cotton staple to where we can compete with other nations on quality. At present we are raising inferior staples for quantity production, realizing that it is all too uncertain to start a slow process of upbreeding.

My letter is already too long, but if you feel that any such legislation is practical and constitutional and would have the support of the agricultural States, would like to see you place it before Congress. Other countries are doing this for coffee and rubber. Other surplus crops might be handled the same way, but my idea is that when the cotton farmer is put on a safe, sane basis he will be able to use other surplus crops that go begging now.

Too, speculation would be stopped when a surplus was established. When I see what tariff protection has done for industry in America I can hardly see where there is anything revolutionary in the suggestions.

Yours very truly,

D. W. WILSON.

GOVERNMENT OF THE PHILIPPINE ISLANDS (S. DOC. NO. 77)

Mr. WILLIS. Mr. President, one of the questions upon which the Congress probably will be called upon to act at some time in the future, and perhaps in the near future, is the question of the relationship of this Government to the Philippines. The President of the United States has sent to Hon. Manuel Roxas, the chairman of the Philippine Commission, an important letter bearing upon that question. I have had some calls for it, and it seems to me that it is of such importance as to warrant its being made available for distribution. I ask, therefore, that this letter may be printed in the RECORD at this point, and that it also be printed as a Senate document.

The PRESIDING OFFICER (Mr. SACKETT in the chair). Without objection, it will be so ordered.

The letter is as follows:

THE WHITE HOUSE,
Washington, February 21, 1924.

MY DEAR MR. ROXAS: The resolutions adopted by the Senate and House of Representatives of the Philippines, touching upon the relations between the Filipino people and the Government of the United States, have been received. I have noted carefully all that you have said regarding the history of these relations. I have sought to inform myself so thoroughly as might be as to the occasions of current irritation between the Legislature of the Philippines and the executive authority of the islands.

In your presentment you have set forth more or less definitely a series of grievances, the gravamen of which is that the present executive authority of the islands, designated by the United States Government, is, in your opinion, out of sympathy with the reasonable national aspirations of the Filipino people. If I do not misinterpret your protest, you are disposed to doubt whether your people may reasonably expect, if the present executive policy shall continue, that the Government of the United States will in reasonable time justify the hopes which your people entertain of ultimate independence.

The declaration of the commission of independence charges the Governor General with illegal, arbitrary, and undemocratic policies, in consequence of which the leaders of Filipino participation in the government have resigned and their resignations have been accepted by the Governor General.

The commission of independence declares that it is necessary "to take all needful steps and to make use of all lawful means within our power to obtain the complete vindication of the liberties of the country now violated and invaded." It proceeds: "And we declare, finally, that this event, grave and serious as it is, once more demonstrates that

the immediate and absolute independence of the Philippines, which the whole country demands, is the only complete and satisfactory settlement of the Philippine problem."

It is occasion for satisfaction to all concerned that this declaration is couched in terms of moderation, and that it goes no further than to invoke "all lawful means within our power." So long as such discussions as this shall be confined to the consideration of lawful means there will be reason to anticipate mutually beneficial conclusions. It is therefore a matter of congratulation, which I herewith extend, that you have chosen to carry on this discussion within the bounds of lawful claims and means. That you have thus declared the purpose to restrict your modes of appeal and methods of enforcing it is gratifying evidence of the progress which the Filipino people, under American auspices, have made toward a demonstrated capacity for self-government.

The extent to which the grievances which you suggest are shared by the Filipino people has been a subject of some disagreement. The American Government has information which justifies it in the confidence that a very large proportion, at any rate, and possibly a majority, of the substantial citizenry of the islands does not support the claim that there are grounds for serious grievance. A considerable section of the Filipino people is, further, of the opinion that at this time any change which would weaken the tie between the Filipinos and the American Nation would be a misfortune to the islands. The world is in a state of high tension and unsettlement. The possibility of either economic or political disorders, calculated to bring misfortune if not disaster to the Filipino people unless they are strongly supported, is not to be ignored. It should not be overlooked that within the past two years, as a result of international arrangements negotiated by the Washington Conference on Limitation of Armament and problems of the Far East, the position of the Filipino people has been greatly improved and assured. For the stabilizing advantages which accrue to them in virtue of the assurance of peace in the Pacific they are directly indebted to the initiative and efforts of the American Government. They can ill afford in a time of so much uncertainty in the world to underrate the value of these contributions to their security. By reason of their assurance against attack by any power, by reason also of that financial and economic strength which inevitably accrues to them, by reason of the expanded and still expanding opportunities for industrial and economic development—because of all these considerations the Filipino people would do well to consider most carefully the value of their intimate association with the American Nation. Although they have made wonderful advances in the last quarter century, the Filipino people are by no means equipped, either in wealth or experience, to undertake the heavy burden which would be imposed upon them with political independence. Their position in the world is such that without American protection there would be the unrestricted temptation to maintain an extensive and costly diplomatic service, and an ineffective but costly military and naval service. It is to be doubted whether with the utmost exertion, the most complete solidarity among themselves, the most unqualified and devoted patriotism, it would be possible for the people of the islands to maintain an independent place in the world for an indefinite future.

In presenting these considerations it is perhaps worth while to draw your attention to the conditions in which some other peoples find themselves by reason of lacking such guaranties and assurances as the Filipino people enjoy. The burdens of armament and of governmental expenses which many small nations are compelled to bear in these times are so great that we see everywhere the evidence of national prosperity and community progress hindered, if not destroyed, because of them. During the World War the Filipino people were comparatively undisturbed in their ordinary pursuits, left free to continue their fine progress. But it may well be doubted whether, if they had been shorn of the protection afforded by the United States, they could have enjoyed so fortunate an experience. Much more probably they would have become involved in the great conflict and their independence and nationality would have become, as did those of many other peoples, pawns in the great world reorganization. There could be no more unfortunate posture in which to place a people such as your own. You have set your feet firmly in the path of advancement and improvement. But you need, above all else, assured opportunity of continuing in that course without interference from the outside or turmoil within. Working out the highest destiny of even the most talented and advanced of peoples is a matter of many generations.

A fair appraisal of all these considerations, and of others which suggest themselves without requiring enumeration, will, I am sure, justify the frank statement that the Government of the United States would not feel that it had performed its full duty by the Filipino people, or discharged all of its obligations to civilization if it should yield at this time to your aspiration for national independence. The present relationship between the American Nation and the Filipino people arose out of a strange, an almost unparalleled, turn of international affairs. A great responsibility came unsought to the American people. It was not imposed upon them because they had yielded to any designs of imperialism, or of colonial expansion. The fortunes of war brought American power to your islands, playing the part of an unexpected and

a welcome deliverer. You may be very sure that the American people have never entertained purpose of exploiting the Filipino people or their country. There have indeed been different opinions among our own people as to the precisely proper relationship with the Filipinos. There are some among us, as there are some among your people, who believe that immediate independence of the Philippines would be best for both. I should be less than candid with you, however, if I did not say that in my judgment the strongest argument that has been used in the United States in support of immediate independence of the Philippines is not the argument that it would benefit the Filipinos, but that it would advantage the United States. Feeling as I do, and as I am convinced the great majority of Americans do regarding our obligations to the Filipino people, I have to say that I regard such arguments as unworthy. The American people will not evade or repudiate the responsibility they have assumed in this matter. The American Government is convinced that it has the overwhelming support of the American Nation in its conviction that present independence would be a misfortune and might easily become a disaster to the Filipino people. Upon that conviction the policy of this Government is based.

Thus far I have suggested only some of the reasons related to international concerns, which seem to me to urge strongly against independence at this time. I wish now to review for a moment some domestic concerns of the Philippine Islands, which seem also to argue against present independence. The American Government has been most liberal in opening to the Filipino people the opportunities of the largest practicable participation in, and control of, their own administration. It has been a matter of pride and satisfaction to us, as I am sure it must also have been to your people, that this attitude has met with so fine a response. In education, in cultural advancement, in political conceptions and institutional development, the Filipino people have demonstrated a capacity which can not but justify high hopes for their future. But it would be idle and insincere to suggest that they have yet proved their possession of the completely developed political capacity which is necessary to a minor nation assuming the full responsibility of maintaining itself in the family of nations. I am frankly convinced that the very mission upon which you have addressed me is itself an evidence that something is yet lacking in development of political consciousness and capability.

One who examines the grounds on which are based the protests against the present situation is forced to conclude that there has not been, thus far, a full realization of the fundamental ideals of democratic-republican government. There have been evidences of a certain inability, or unwillingness, to recognize that this type of governmental organization rests upon the theory of complete separation of the legislative, executive, and judicial functions. There have been many evidences of disposition to extend the functions of the legislature, and thereby to curtail the proper authority of the executive. It has been charged that the present Governor General has in some matters exceeded his proper authority; but an examination of the facts seems rather to support the charge that the legislative branch of the insular government has been the real offender, through seeking to extend its own authority into some areas of what should properly be the executive realm.

The Government of the United States has full confidence in the ability, good intentions, fairness, and sincerity of the present Governor General. It is convinced that he has intended to act, and has acted, within the scope of his proper and constitutional authority. Thus convinced, it is determined to sustain him; and its purpose will be to encourage the broadest and most intelligent cooperation of the Filipino people in this policy. Looking at the whole situation fairly and impartially, one can not but feel that if the Filipino people can not cooperate in the support and encouragement of as good an administration as has been afforded under Governor General Wood, their failure will be rather a testimony of unpreparedness for the full obligations of citizenship, than an evidence of patriotic eagerness to advance their country. I am convinced that Governor General Wood has at no time been other than a hard-working, painstaking, and conscientious administrator. I have found no evidence that he had exceeded his proper authority, or that he has acted with any other than the purpose of best serving the real interest of the Filipino people. Thus believing, I feel that I am serving those same interests by saying frankly that it is not possible to consider the extension of a larger measure of autonomy to the Filipino people until they shall have demonstrated a readiness and capacity to cooperate fully and effectively with the American Government and authorities. For such cooperation, I earnestly appeal to every friend of the islands and their people. I feel all confidence that in the measure in which it shall be extended, the American Government will be disposed to grant in increasing degree the aspirations of your people. Nothing could more regrettably affect the relations of the two peoples than that the Filipinos should commit themselves to a program calculated to inspire the fear that possibly the governmental concessions already made have been in any measure premature.

In conclusion, let me say that I have given careful and somewhat extended consideration to the representations you have laid before me. I have sought counsel of a large number of men whom I believed

able to give the best advice. Particularly, I have had in mind always that the American Nation could not entertain the purpose of holding any other people in a position of vassalage. In accepting the obligations which came to them with the sovereignty of the Philippine Islands, the American people had only the wish to serve, advance, and improve the condition of the Filipino people. That thought has been uppermost in every American determination concerning the islands. You may be sure that it will continue the dominating factor in the American consideration of the many problems which must inevitably grow out of such relationship as exists.

In any survey of the history of the islands in the last quarter century, I think the conclusion inescapable that the Filipino people, not the people of the United States, have been the gainers. It is not possible to believe that the American people would wish otherwise, to continue their responsibility in regard to the sovereignty and administration of the islands. It is not conceivable that they would desire, merely because they possessed the power, to continue exercising any measure of authority over a people who would better govern themselves on a basis of complete independence. If the time comes when it is apparent that independence would be better for the people of the Philippines, from the point of view of both their domestic concerns and their status in the world; and if when that time comes the Filipino people desire complete independence, it is not possible to doubt that the American Government and people will gladly accord it.

Frankly, it is not felt that that time has come. It is felt that in the present state of world relationship the American Government owes an obligation to continue extending a protecting arm to the people of these islands. It is felt, also, that quite aside from this consideration, there remain to be achieved by the Filipino people many greater advances on the road of education, culture, economic, and political capacity before they should undertake the full responsibility for their administration. The American Government will assuredly cooperate in every way to encourage and inspire the full measure of progress which still seems a necessary preliminary to independence.

Yours very truly,

CALVIN COOLIDGE.

Hon. MANUEL ROXAS,
Chairman The Philippine Mission,
2034 Twentieth Street, Washington, D. C.

MUSCLE SHOALS

The Senate resumed the consideration of House Concurrent Resolution No. 4, providing for a joint committee to conduct negotiations for leasing Muscle Shoals.

Mr. HEFLIN. The Senator from Georgia [Mr. HARRIS] suggested to me that he thought it would be a good idea if we could get an agreement that no Senator should speak over 10 minutes on any one amendment on Monday. Personally, I should have no objection to that.

Mr. FESS. That would be rather unsafe at this time, would it not? We have already made one agreement.

Mr. BLEASE. I have not any objection, but I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Bingham	Frazier	McNary	Robinson, Ind.
Bleas	George	Mayfield	Sackett
Bratton	Gerry	Means	Schall
Brookhart	Glass	Metcalf	Sheppard
Broussard	Goff	Moses	Shortridge
Bruce	Hale	Neely	Simmmons
Cameron	Harris	Norris	Smith
Capper	Hefflin	Nye	Swanson
Caraway	Howell	Oddie	Tyson
Cummins	Johnson	Overman	Wadsworth
Dale	Jones, Wash.	Pepper	Walsh
Deneen	Kendrick	Phipps	Warren
Ferris	La Follette	Pittman	Weller
Fess	Lenroot	Reed, Pa.	Williams
Fletcher	McMaster	Robinson, Ark.	Willis

Mr. NORRIS. I was requested to announce that the Senator from Minnesota [Mr. SHIPSTEAD] is detained at his home on account of illness.

Mr. ODDIE. I desire to state that the Senator from Oregon [Mr. STANFIELD] is presiding over a meeting of the Committee on Public Lands and Surveys.

The PRESIDING OFFICER (Mr. SACKETT in the chair). Sixty Senators having answered to their names, a quorum is present.

Mr. HEFLIN. Mr. President, some Senators have suggested that we change the request for a limitation upon debate on Monday, and have it read that no Senator shall speak over 15 minutes upon any amendment to the concurrent resolution.

Mr. ROBINSON of Arkansas. Mr. President, was not an agreement entered into?

Mr. HEFLIN. A point of no quorum was made.

Mr. ROBINSON of Arkansas. It was not entered into, then?

Mr. HEFLIN. No; a limitation of 10 minutes was suggested then, and the Senator from Georgia [Mr. GEORGE] has suggested that it be made 15 minutes. I do not care myself, Mr. President, if Senators want to limit the time, what the limitation is.

Mr. NORRIS. I should not object, so far as I am concerned, to limiting it to five minutes; but I hardly think it would be fair, having made an agreement to close debate and everybody taking it for granted, I suppose, when we set a time for closing debate, that no further limitation would be made.

Mr. ROBINSON of Arkansas. That is what I asked. I asked if an agreement had not already been entered into.

Mr. NORRIS. An agreement has been entered into, and it does not seem to me that we ought to modify it now.

Mr. HEFLIN. I thought the Senator from Arkansas meant to ask whether the agreement proposed a few minutes ago had been made, about a 10-minute limit on debate. The other agreement that was entered into was with regard to voting on the concurrent resolution and all amendments thereto at 3.30 o'clock on Monday without further debate.

Mr. WILLIS. Mr. President, may I ask the Senator whether it is proposed now to change that time, already agreed upon?

Mr. HEFLIN. Not at all; so if there is objection, I will withdraw the request.

Mr. WILLIS. I am not objecting; I simply want to know what it is that the Senator is proposing.

Mr. HEFLIN. I see that there is some objection to it, however.

Mr. HARRIS. Mr. President, unless some Senator objects to this proposal, I hope it will be agreed to. I have heard the Senator from Nebraska heretofore complain of making an agreement limiting the time, because one Senator can get up here on Monday and take all the time. My colleague [Mr. GEORGE] has an amendment and the Senator from South Carolina [Mr. SMITH] has an amendment; and it is not fair for some one Senator to take all the time of the Senate before we vote on the whole measure and all amendments thereto.

Mr. NORRIS. All that is true. I have always advocated that. I did not think this agreement should have been made. I think agreements ought to limit debate, but we did not do that in this instance. We made an agreement, and I submitted to it. I did not want any controversy, and did not care particularly. As far as I was concerned, we could have voted at once. We made the agreement, and many Senators who were here when the agreement was made are not here now. The colleague of the senior Senator from Georgia told me to-day he wanted to speak, but he could not very well be here to-day on account of the Committee on Privileges and Elections being in session. It seems to me a matter of protection to those who were here when the agreement was made that we should not modify it now.

Mr. HEFLIN. I will say to the Senator from Nebraska that the Senator from Georgia [Mr. GEORGE] came into the Chamber a moment ago and told me that if we fixed the limitation at 15 minutes he would have no objection. That is the reason why I changed it.

Mr. NORRIS. I do not want to take the responsibility. As a matter of fact, I would like this modified agreement better than the other. I have always contended for a limitation. Fixing a definite time for a vote and thus cutting off some who might wish to debate is not the proper way to legislate. Limiting speeches to 15 minutes is much better; but we did not do that in this instance.

Mr. ROBINSON of Arkansas. There is no proposal now to change the time fixed for a vote. The question now is on agreeing that no Senator shall be permitted to speak more than once nor longer than 15 minutes.

Mr. NORRIS. Nobody can tell now but that on Monday no Senator will want to go on except one who wants to make a long speech. I do not know of such a Senator, but I dislike to make an agreement to-day and make a modification of it to-morrow which might conflict with the plans of some Senators who are absent and who agreed to the original proposal in good faith. I do not think the Senator ought to press it now.

Mr. HEFLIN. I will withdraw the proposal for the present, Mr. President.

Mr. NORRIS. Let the matter go over until Monday, and then we can limit the time if we want to do so.

Mr. HEFLIN. Mr. President, I want to say just a few words with regard to some of the things the Senator from Tennessee [Mr. McKELLAR] stated yesterday. The Senator discussed House bill 518 and contended seriously before the Senate that the Ford bid, which was in the McKenzie bill, which passed the House, was not the bill referred to in the concurrent resolution. I hold in my hand a copy of the McKenzie bill, House bill 518, before it was changed by the acceptance of the bill of my col-

league [Mr. UNDERWOOD] as an amendment, or by the acceptance of the bill of the Senator from Nebraska [Mr. NORRIS] as an amendment. This bill, which was known as the bill containing the Ford offer, was the one which passed the House, and is the bill referred to in the concurrent resolution now pending and which I have before me. The Senator from Tennessee contended that that was not the case, that the bill referred to was the Underwood bill. That is not the case, as Senators who hear me well know.

House bill 518 was changed and the bill of the Senator from Nebraska substituted for it. Then the Senate struck that out and substituted the Underwood bill. The Underwood bill was the bill which went to conference under the designation House bill 518. Am I not correct about that?

Mr. NORRIS. Mr. President, will the Senator permit me?

Mr. HEFLIN. Yes.

Mr. NORRIS. I think the Senator is correct, but since the Senator from Tennessee is not here I would like to state my understanding of the matter.

House bill 518, introduced by Mr. McKenzie in the House, passed the House and came to the Senate. When it came here all after the enacting clause was stricken out and the Underwood bill put in its place. Then, in the course of the debate, all of the Underwood bill was stricken out and the bill introduced by me was put in its place.

Mr. HEFLIN. That is correct.

Mr. NORRIS. Later on that was all stricken out and a modified form of the Underwood bill was put in its place, and in that form it passed the Senate. Then it went to conference, came back from conference a different bill, but every one of those bills bore the same number; it was House bill 518.

Mr. HEFLIN. The Senator is right about that.

Mr. NORRIS. I agree with the Senator that the authors of the resolution referred to the bill as it passed the House.

Mr. HEFLIN. There can be no serious disagreement among Senators about that.

Mr. NORRIS. But still it is fair to say—and I only say it because the Senator from Tennessee is not in the Chamber—that every one of the other bills I have mentioned was at one time officially before the Senate under that name and that title.

Mr. HEFLIN. The Senator from Nebraska is absolutely right, and I am sure that my friend from Tennessee was misled by the three changes made in House bill 518 when other bills were substituted for it under the same title and number that came over from the House. He was not as familiar with the history of that legislation as is the Senator from Nebraska and myself.

I went further in my investigation and talked to the minority leader in the House, Mr. GARRETT of Tennessee. He said that House bill 518 is the one they referred to in the resolution, and he said that if they had had in mind the other proposition they would have said, "House bill 518, as amended by the Senate." But they referred to the bill which passed the House without any of these Senate amendments upon it, and in the resolution which passed the House referring to that bill they named specifically House bill 518. That was the bill which contained legislation for the Ford offer. There can not be any question about that, and my friend from Tennessee was absolutely wrong in the position he took.

I hold in my hand the concurrent resolution which passed the House. I took that up with some Members of the House and talked to the minority leader, Mr. GARRETT of Tennessee. Mr. MADDEN, of Illinois, introduced the resolution, and Mr. SNELL, of New York, chairman of the Rules Committee, and the minority leader, Mr. GARRETT of Tennessee, were requested to examine it and report on it. They did so, and this is the resolution as they reported it, and as it passed, and as the Committee on Agriculture of the Senate reported it.

Mr. FESS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Ohio?

Mr. HEFLIN. I yield.

Mr. FESS. I understand that it was passed within two hours after the consideration was begun.

Mr. HEFLIN. In the House?

Mr. FESS. Yes.

Mr. HEFLIN. Yes; a very short time.

Mr. CARAWAY. Mr. President, may I ask the Senator why it took such a long time?

Mr. HEFLIN. That was a long time. Considering the fact that the committee provided in this resolution will not have any authority except to receive bids and report them back to Congress for its action, it seems to me that under the circumstances it should have passed the Senate some time ago.

Mr. CARAWAY. Will the Senator yield to me right there?

Mr. HEFLIN. I yield.

Mr. CARAWAY. I think the Senator is laboring under a very grave misapprehension as to what this resolution would do. There is to be no report back to the House. The resolution provides that this committee shall go out and negotiate a contract, which shall be reported to the House in the nature of a bill to accept it. That measure then will not go to any standing committee; it will go upon the calendar of the House, with a privileged status. It will be absolutely impossible to change one word of it, because it will be the contract. There will be no kind of report to the House to the effect that certain bids have been offered, giving the House a chance to decide as to whether they want to accept them. It will be a concluded contract, except for ratification, which will be in the nature of a bill, which will go, not to any standing committee, but actually on the calendar of the House, with a privileged status; and that will be the end of it.

Mr. SMITH. If the Senator will allow me, with no possibility of amendment, because it is in the form of a contract.

Mr. CARAWAY. Not a bit, because it will be a contract between the Government on one side and some bidder on the other side, which must be accepted or rejected verbatim.

Mr. SMITH. Exactly.

Mr. CARAWAY. And no committee will have a chance to pass upon it.

Mr. HEFLIN. I submit there is nothing unfair about that.

Mr. CARAWAY. It just happens to be the fact.

Mr. HEFLIN. If it is not a good bid but a bad bid, the sooner they can report it to the House and the quicker the House can act on it and reject it the better it will be. But I submit that if it is a good bid and the House wants to accept it, it has the right to act upon the proposed bid and to act upon it promptly.

Mr. CARAWAY. I called attention to that because the Senator's plea the other day was, in addition to the necessity of standing by the President, that if we wanted to make any amendment, we could offer it after the committee reported. But there can be no amendment to their report. It must be accepted or rejected in its entirety and without consideration.

Mr. HEFLIN. Mr. President, I am sure that the provision placed in the resolution for the guidance of the House when the bids shall be returned were made in order to make certain that the House could take action upon the question at this session of Congress.

Mr. SMITH. Right or wrong.

Mr. HEFLIN. Not at all. But I submit that Congress has the right to do and it is charged with the responsibility of doing what it thinks is right and best. I do not believe that Congress is ready to make my friend from South Carolina and my friend Mr. McKELLAR, from Tennessee, and a half a dozen others the conscience keepers of Congress.

Mr. CARAWAY. I wonder how they would get along if the Senator did not keep them.

Mr. SMITH. God knows mine is bad enough, but I would not want to keep the consciences of some gentlemen who are mixed up in this thing.

Mr. HEFLIN. My friend from South Carolina and my friend from Arkansas and I are very frequently together on measures that come up for consideration here.

Mr. CARAWAY. May I ask the Senator a question? The Senator suggested that half a dozen people are trying to keep the consciences of the House and the Senate. Would the Senator mind telling us what he is doing?

Mr. HEFLIN. I will tell the Senator, Mr. President, and be glad to do it. I am not trying to keep anybody's conscience. I supported the Ford offer, and my friend from Arkansas did the same thing. The Senator from South Carolina did the same thing. I wanted the Government to lease this property to a private individual. I have always stood for that. I have never taken any socialistic position on this question. I repeat, I am not a socialist; I am a Democrat, and the day is not far distant when the Democratic States in the South are going to want to know of men sent here to represent them in the House and Senate whether they are coming here to safeguard the States in their sovereign rights, or whether they are coming here to surrender them.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. HEFLIN. Certainly.

Mr. CARAWAY. Who appointed the Senator to safeguard the rights of all the States?

Mr. HEFLIN. Nobody, Mr. President; but I have a solemn duty to perform to all the States, and particularly to my own State.

Mr. CARAWAY. What is the Senator seeking to do? He is threatening to defeat all of us who do not vote with him—

Mr. HEFLIN. Not at all. No such thought has entered my mind.

Mr. CARAWAY. And I will take my chances.

Mr. HEFLIN. Each Senator's constituents will have to attend to their duty in the premises.

Mr. CARAWAY. I thought the Senator was attending to it. The Senator was just telling what was going to happen.

Mr. HEFLIN. Yes; I did say what would happen, and I repeat it: The day is not far distant, it is already manifesting itself in the South, when the South is going to want to know of Senators whether they are going to stand here and defend and safeguard them in their sovereign rights and powers, or whether they are coming here to consort with socialism and traffic those rights away.

Mr. CARAWAY. I suppose that is the reason the Senator is urging us to stand by the President; he sees the storm coming.

Mr. SMITH. And private corporations?

Mr. HEFLIN. I am standing where I have always stood.

Mr. CARAWAY. By the President.

Mr. HEFLIN. I want this plant leased to a private concern. I supported the Ford offer. I repeat, the Senator from South Carolina signed the report. The Senator from Tennessee [Mr. McKellar] supported it. I have it on my desk. We recommended turning Muscle Shoals over to Henry Ford, not for 50 years but for 100 years, not only Dam No. 2 but Dam No. 3, and we were to turn it over to Henry Ford to do what he pleased with all the surplus power from both dams. Have you forgotten that, Senators? And yet certain Senators charge now that we are trying to form a combination with the President. The President has declared in favor of the position that I and other Senators have occupied all along. A number of Senators on the other side have favored leasing the Muscle Shoals Dam just as I have. The President came over to the Senators on both sides who favored leasing the dam. I believe that if Ford had not withdrawn his offer his bid would have been accepted.

Mr. CARAWAY. Mr. President, will the Senator let me ask a question?

Mr. HEFLIN. Certainly.

Mr. CARAWAY. Of course, we are all glad to know the President changed his position and is standing with the Senator from Alabama. What I want to suggest is that when we were supporting the Ford offer we knew who was going to get it, but now we are asked to support an offer without being told who it is that is going to have the property.

Mr. HEFLIN. I do not know who will get it.

Mr. CARAWAY. That is what we want to know.

Mr. HEFLIN. I do not know what Congress will decide about that, but Congress has the right to decide and will decide that question.

Mr. CARAWAY. Oh, I thought the Senator from Alabama was going to do that. [Laughter.]

Mr. HEFLIN. No; but I am going to help decide it, and the few Senators who are trying to keep us from disposing of this question at this session of Congress will not be able to do so. I am going to stand by the farmer, as I have from the beginning, in this Muscle Shoals matter.

Mr. CARAWAY. Oh, no; the Senator is standing by the President.

Mr. HEFLIN. The farmers' cooperative marketing organization is for the resolution. The Farm Federation Bureau of the United States is for the resolution. The National Grange indorsed the resolution. They are all for it without amendment. They were for the Ford offer. I am still where I was, and those Senators who are floundering around in their discomfort can not disturb me in the position I hold and have long held. The farmers themselves know. They are not—they can not be—deceived about this thing.

Mr. SMITH. Mr. President—

Mr. HEFLIN. I yield to my friend from South Carolina.

Mr. SMITH. The Senator said the farmers were for the Ford offer and that they are for "the resolution." Which resolution is the Senator talking about?

Mr. HEFLIN. I am talking about the Ford offer referred to in this concurrent resolution, which requires that at least 40,000 tons of fixed nitrogen shall be made annually and that they shall make nitrates for the Government in time of war and that they shall not charge over 8 per cent profit on the fertilizer sold to the farmer.

Mr. SMITH. I understand that, but is there another contract ready?

Mr. HEFLIN. I do not know. Now, I want to answer that suggestion. I do not think that anyone in the Senate knows. The Senator from Tennessee [Mr. McKellar] talked about what he thought with regard to bids being already prepared.

I do not think that there is any foundation. But if some American citizen desiring to lease this property in accordance with the suggestions of the President and Congress, I submit that he would be guilty of no wrong doing if he should write out his bid in advance and be ready to tell Congress and the country just what he is willing to do. But what I can not understand, and what I do not intend shall go by unnoticed, is the sudden change that certain Senators have made on this question. They were on another occasion with those of us who favored, as we do to-day, leasing Dam No. 2 to some private citizen. To-day they are on the other side of the question.

Mr. BLEASE. Mr. President—

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from South Carolina?

Mr. HEFLIN. I do.

Mr. BLEASE. I would like to ask the Senator if he knows in this country of a more prominent farmer than the senior Senator from South Carolina [Mr. Smith]?

Mr. HEFLIN. No; but I know some farmers who cultivate more acres and produce more farm products than does the senior Senator from South Carolina. He is a good farmer and a good friend of the farmer. But the Senator from Tennessee [Mr. McKellar] said that we were wrong and that he feared that we did not understand the situation. I am sure that he will be charitable enough to permit us to say that he and the few who share his view are themselves misled and deceived about this matter.

Mr. President, if the Muscle Shoals property is leased and we put it in the contract that they shall make fertilizer and not charge over 8 per cent profit, we will save to the farmers of North Carolina on their fertilizer bill \$18,500,000 yearly; we will save to the farmers of Tennessee \$6,000,000 and to the farmers of Georgia between \$15,000,000 and \$16,000,000; we will save to South Carolina from \$12,500,000 to \$14,000,000; we will save to my State, Alabama, \$10,000,000 and to Louisiana about \$5,000,000, and so on throughout all the States. And yet, strange to say, a few Senators get up here and say a committee is about to turn this property over to somebody, and there will be no way for Congress to act upon it. That argument is unjustified; it is utterly ridiculous. What are the facts? The joint committee is to be appointed. It is simply going out to represent the American people's Congress. It will find out if any American citizen wishes to submit to Congress a bid for Dam No. 2 at Muscle Shoals. It will come back and lay before the Senate and the House the bids, and the Senate and the House will vote to accept or reject any one or all of them.

Mr. President, in view of these facts I can not understand why it is that they are opposing this resolution and trying to hold it back when they know that the bids must be reported back to Congress.

I said yesterday to the Senator from Tennessee [Mr. McKellar] and I want to repeat it now that if the resolution empowered the committee to make a lease and close the deal I would not vote for it. But it simply authorizes them to go out and act for us, for the Congress of the United States, and get bids, if any are to be made, and do what? To dispose of or lease to the best advantage Government property that cost \$150,000,000, and Congress, not the committee, will either accept or reject the bid.

I interrupted my friend from Tennessee [Mr. McKellar] when he was speaking about this war project and about turning it over to somebody and losing all the money that the taxpayers of the United States have put in it, to remind the Senator that during the World War the Government established a powder plant in his State costing \$88,000,000, and when the war was over it was sold as best it could be sold, I suppose, and the Government received only \$4,500,000 for it, a net loss to the Government of \$83,500,000. I say to Senators that this project in my State is going to be made a paying project. I make this assertion now that it is the only project amongst all the war projects that will actually pay for itself under the plan that we here propose. In the face of this fact a few Senators stand up and talk about us trying to give this property away to somebody. We will produce cheaper fertilizer for the farmer and in 50 years we expect the Government to get more money for the use of that plant and that dam than the whole thing cost. Can anyone here say as much about any other war project? I challenge any Senator here to refute that proposition. There is no Senator here who can do it.

Then some Senators talk about us trying to give something away down in my State and they talk about providing by law for equitable distribution of surplus power. Who will determine what is equitable distribution? Do you want to lease

this property? If you do, you must let the man who is going to lease it and pay for it have some say about what he is going to do with it. Are we going to say to him, "You have got to transmit power over yonder, and power over here, and power over there, and in all the States round about, equitably distribute power"?

Suppose he would say, "Under those conditions I do not care to make any bid. I would not lease it if I did not expect to make some money out of it. I would not pay the Government for the use of it if I did not expect to make some money by doing so." To those who plead for equitable distribution, I submit this proposition, which is fair and logical. If the States roundabout are entitled to have it named in the bond and fixed by law that we shall have an equitable distribution of power amongst the States that can be reached by the electricity, I submit that those of the 48 States in the Union that can not be reached by the electricity are entitled to share in the funds for which the electricity is sold. Can anyone answer that argument?

Mr. BROUSSARD. Mr. President—

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Louisiana?

Mr. HEFLIN. Certainly.

Mr. BROUSSARD. If there is a rental paid, and it goes into the Federal Treasury, does it not return to every State in the Union?

Mr. HEFLIN. I am talking about the immediate benefit to be derived by the people of the States directly. In other words, if through what they call equitable distribution \$5,000,000 is paid for electricity sent out from Muscle Shoals, how are we to divide it up amongst the people in the 48 States in the Union? When we analyze the arguments made against this resolution there is nothing in them.

Senators talk about the plant at Muscle Shoals being obsolete and say that the cyanamide process will not work. Nobody here has contended that they shall use the cyanamide process. We have always said, and continue to say, that they can use any process they please. They can make fixed nitrogen alone or they can make the completed fertilizer.

As I said a moment ago, we have the phosphate rock in Tennessee near by Muscle Shoals, and we have the green shale potash near by right over in the State of Georgia, and air overhead teeming with nitrogen. It is the most ideal spot in the United States to make cheap fertilizer. But Senators say it can not be done, but they are the same Senators who said it could be done when they wanted Ford to have it. They change so frequently that it reminds me of the old fellow who sent a negro boy down in the pasture to look for a cow. He came back and said he had gone all around and could not find her. The old fellow said, "Go back and take Rastus with you. You go down one side of the branch and let him go down the other side, because she is liable to be on both sides." [Laughter.] Some Senators have been on both sides of this question.

I have not changed. I stand where I have always stood, for leasing this property to private individuals. When my colleague [Mr. UNDERWOOD] made a fight two years ago to embody the Ford offer in his bill, the same subsidized newspapers with these little hickory nut headed scribblers were charging that he was in a combination with President Coolidge and the Republicans. Now he is sick and can not be here to help put through this meritorious measure, and they are charging that I have formed a combination with President Coolidge and the Republicans.

If some of these Senators do not change their conduct here somebody will form a combination back home that will make them sit up and take notice. Talk about doing something in the interest of the farmer! Were they telling the truth, were they sincere, when they said the Ford offer was in the interest of the farmer? Were they telling the truth, were they sincere, when they said we could make cheap fertilizer at Muscle Shoals? Were they telling the truth, were they sincere, when they said that was the best disposition that could be made of Muscle Shoals? It is getting to be a very tiresome thing to see these Senators, who are frightened by the ghost of their former position, accusing us who have stood for the farmer like the Rock of Gibraltar from the beginning. I repeat I have never changed my position. I have always been for leasing Muscle Shoals, but those Senators have rushed off and left us, and they are now standing up trying to make themselves believe that they are fighting for the farmer. They can not get away with that and they must not reflect on those of us who have stood with the farmers all along in this matter.

It is said by some Senators that we can not make nitrogen with the cyanamide process at Muscle Shoals. I say that we have already made it. I have seen it, and that is not all—they have seen it, too. We had it before the Committee on Agricul-

ture and Forestry. Senators talk about what we can not do down there. I remember when the pessimistic prophets of a few years ago made fun of the Wright boys when they said they would make an airplane heavier than air and make it fly like a bird. They laughed at the Wright boys and said they were crazy, that it could not be done. I saw the Wright boys break the world's record at Fort Myer just a few years after that. Years ago Carnegie, the great steel magnate of America, came to Birmingham and told our people, to their dismay and consternation, that we could "never make steel at Birmingham." But he was mistaken. To-day we are competing with the steel producers of the world. We are selling steel abroad in competition with the steel plants of the Old World. So to those who stand here and grow eloquent as they tell us that we can not do this thing or the other thing down yonder regarding fertilizer, I would not say, "Get behind me, Satan," but I would say, "Father, forgive them, for they know not what they do." [Laughter.]

Mr. President, I am thankful for one thing. I am thankful that certain Senators can not move Muscle Shoals out of Alabama.

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Iowa?

Mr. HEFLIN. I yield.

Mr. BROOKHART. I think the Senator may be a little "previous" about being thankful on that score. I remember once when we had the greatest water power in the world in my State—the Mississippi River Dam at Keokuk. I was thankful that one end of it was in Iowa, but they moved it all down to St. Louis; it has never helped Iowa a particle.

Mr. HEFLIN. Mr. President, I am hoping the Senator from Iowa is going to help us lease this dam down in Alabama. He lives, I suppose, about 1,500 miles from Muscle Shoals.

Mr. BROOKHART. How far?

Mr. HEFLIN. About a thousand miles or more. How far is it?

Mr. BROOKHART. Three thousand miles is a long way.

Mr. HEFLIN. Yes; and "it is a long way to Tipperary," too. [Laughter.] How far is it from Muscle Shoals to Iowa?

Mr. BROOKHART. I presume it is 600 miles.

Mr. HEFLIN. The Senator from Iowa says it is 600 miles. It is more. But think of that, Mr. President—a dam 600 miles or more away from Iowa and yet the Senator is proposing to tell us down in the Southern States how to regulate it! When matters come up here which affect the Senator's constituents, I always like to help out the West, and I do so, but when we have something down in my section of the country which we want to do in the interest of the farmers, some Senators from the West seem to forget that they have been helped by us in matters which vitally affect their people, and they line up against us and seek to force some socialistic proposition upon us. This Senate is not for going into any socialistic business; the House of Representatives is not for it. I want this thing to be tried out, tested to the bottom. The President has already appointed a commission; they have made inquiry and reported valuable facts. They have recommended that Congress go out and try to get bids. Is there anything wrong in that? Congress has responded to the recommendation of the President's commission. A resolution has passed through the House and I think we shall soon adopt it here. We are going out to see whether or not we can obtain bids. If we can not obtain bids which are worthy and satisfactory, we shall reject them. Then there may not be anything to do but to turn around and say, "Although I am opposed to any of these governmental operations, that appears now the only thing left to be done in this particular instance, because we have tried and tried hard to get a good bid, and we have been unable to do so. There is nothing else left to do." Then every Member of the Senate and House will have a reason and an excuse for doing that if he finds that he can not lease it to a private individual.

EXECUTIVE SESSION

Mr. JONES of Washington. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 1 hour and 45 minutes spent in executive session the doors were reopened.

BRONZE GUNS FOR GRANT MEMORIAL BRIDGE, POINT PLEASANT, OHIO

Mr. WADSWORTH. From the Committee on Military Affairs I report back favorably without amendment the bill (H. R. 7019) to provide four condemned 12-pounder bronze guns for the Grant Memorial Bridge at Point Pleasant, Ohio, and I submit a report (No. 274) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill and it was read, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to deliver to the U. S. Grant Memorial Association of Ohio four condemned 12-pounder bronze guns at the Rock Island Arsenal, Rock Island, Ill., to mark the Grant Memorial Bridge on the Atlantic and Pacific Highway at Point Pleasant Ohio: *Provided,* That no expense shall be incurred by the United States through the delivery of these guns.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ADJOURNMENT

Mr. WATSON. I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 15 minutes p. m.) the Senate adjourned until to-morrow, Saturday, March 6, 1926, at 12 o'clock meridian.

CONFIRMATIONS

Executive nomination confirmed by the Senate March 3, 1926

(Omitted from Record of March 3, 1926)

UNITED STATES ATTORNEY

Edward E. Hindman, United States attorney, southern district of Mississippi.

Executive nominations confirmed by the Senate March 5 (legislative day of March 3), 1926

UNITED STATES MARSHAL

Chester N. Leedom to be United States marshal, district of South Dakota.

POSTMASTERS

IOWA

Elda B. Sparks, Buffalo Center.
Edgar A. Cupp, Corning.
Vellas L. Gilje, Elkader.
Leonidas L. Greenwalt, Hastings.
George McNeish, jr., Kanawha.
William R. Weaver, Lewis.
John Harden, Linden.
Bruce E. Harlow, Onawa.
Andrew C. Ries, Ringsted.
Wayne C. Ellis, Rippey.
Edith J. DeLong, Truro.
Leonard G. Kelley, Wall Lake.
Boyd W. Smith, Waukon.
John L. Addington, Webb.
Edith H. Ashby, Wellsburg.
Henry C. Ficke, Wheatland.

MARYLAND

Charles D. Routzahn, Mount Airy.

HOUSE OF REPRESENTATIVES

FRIDAY, March 5, 1926

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, our heavenly Father, without whose help life is a disappointment and all labor is useless, direct us in our studies, our inquiries, and our decisions. Leave us not to ourselves, lest the way becomes obscure and we fail. For all the daily benefits and comforts we give Thee thanks and praise. Help us to be strong in all good work, and may we never turn aside from the tasks which are given us. Lead us forward in the spirit and might of Him whose precepts should lead the world. Bestow upon us that spirit that transcends analysis and explanation and is experienced rather than explained. Oh, hear us, blessed Lord, in the name of Him who prayed for His enemies, wept with His friends, and would not scorn a little child. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE WORLD COURT

Mr. WILLIAM E. HULL. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by printing a speech by Senator McKINLEY on the World Court.

The SPEAKER. The gentleman from Illinois asks unanimous consent to print in the Record a speech by Senator McKINLEY on the World Court. Is there objection?

Mr. BLANTON. Reserving the right to object—but I am not going to object—I want to say that this is the first time since I have been in Congress that a distinguished Senator had to come to the House to get his speech in the Record.

Mr. BLACK of Texas. Reserving the right to object, where was this speech delivered?

Mr. WILLIAM E. HULL. In Chicago. It merely explains the World Court.

Mr. BLACK of Texas. Is the gentleman sure that the speech has not been inserted in the Record in the Senate?

Mr. WILLIAM E. HULL. It has not.

Mr. BLACK of Texas. I have no objection.

The SPEAKER. Is there objection?

There was no objection.

Mr. WILLIAM E. HULL. Mr. Speaker, under the leave to extend my remarks in the Record I include the following speech by the Hon. WILLIAM B. McKINLEY, Senator from the State of Illinois, delivered at Chicago, on the World Court:

In 1896 William J. Bryan's campaign issue, the free and unlimited coinage of silver at 16 to 1, almost swept the country off its feet, but the country was wrong, as time demonstrated. This Nation at that time narrowly escaped making a tremendous blunder.

A great reaction against war later almost led the country into the League of Nations. A conservative group in Congress saved us from that. That same majority is working together now passing needed legislation, but almost always after combating a small bloc of objectors and obstructionists, banded together, as is well understood in Washington, trying to increase their power to a point where they can control legislation by the French bloc method. They are right now pushing what they conceive to be their great opportunity.

President Coolidge and the conservative majority go right along with their work. In his last message to Congress the President made 21 specific recommendations. Two outstanding recommendations, those for membership in the World Court and the passage of a tax reduction bill, have already been enacted. This bloc of objectors opposed both these measures. In addition the House has passed the farmers' cooperative bill and the McFadden branch bank bill. It will be a session of exceptional benefit to the country. I have stood with my conservative colleagues in the Senate in helping bring this about.

In the past five years Federal taxes have been cut in half, and the tax law just agreed upon makes a further reduction of 12 per cent, while at the same time State and county taxes in many States have been doubled. A conservative majority in Congress has made possible this leaving of the people's money in their own pockets.

The principle of settling disputes between nations by arbitration instead of by war has been developed as civilization has progressed. The Hague Tribunal is a court of arbitration, and the United States has been a member since 1907, but The Hague Tribunal did not provide the proper machinery to work out its intentions. The World Court has improved this machinery. The United States has been a member for nearly 20 years. It is nothing new.

It is inconceivable that this now much-discussed World Court, which has been so earnestly advocated by our last five Presidents and two Secretaries of State, as also by many organizations and individuals, including the American Legion, could be the dangerous thing which its opponents would have us believe. The 76 Members of the Senate and 301 Members of the House, who voted for the World Court, are American patriots. These 377 Congressmen and Senators, who voted "yes," are right. Remember 377 voted "yes," and 45 voted "no." They do not desire our country to become involved in "foreign entanglements" in the dangerous sense of that term as used by President Washington a century and a half ago. But we are now a world power beyond the dream of Washington. We are the banker and creditor Nation of the world. To continue prosperous, we must have the world markets in which to sell our surplus foodstuffs, farm, and manufactured products. We want other nations to prosper, so they may be able to buy from us and pay us in 100 per cent money. We can not have all these good things and yet take no part in helping our foreign customers to attain such prosperity as will enable them to buy from us and pay.

In this we are selfishly and commercially interested, to say nothing of the broader humanitarian purpose, that foreign wars as well as our own shall cease forever. Our entry into the World Court is a hopeful start toward that end. With the reservations adopted as safeguards we are in no danger. Our country will never consent to submit the Monroe doctrine to this or any other court; nor is there any chance of our submitting our immigration or other domestic problems. What rights the Japanese or any other alien people shall have to come into our country is a purely domestic question which we will never submit to arbitration nor to any court anywhere. Such problems we always have and always will settle for ourselves; and all other nations will do likewise with their domestic problems. This World Court has no concern with such.

The World Court, whether we join it or not, is a forward step in the peaceful adjustment of international differences without resort to